Registration number: 04930122

Dictate It Limited

trading as Dictate IT Limited

Annual Report and Financial Statements

for the Year Ended 31 March 2016

Jani Taylor Associates Limited
Chartered Accountants
Office 6a, 1st Floor
Popin Business Centre
South Way
London
HA9 0HF

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Company Information

Directors	Mr Mark Rudolph George Miller Mr Kandaswamy Murali Krishnan
Registered office	96A Clifton Hill London NW8 0JT
Bankers	Natwest Farnham Road Branch PO Box 1070 Slough Berkshire SL1 1AL
Auditors	Jani Taylor Associates Limited Chartered Accountants Office 6a, 1st Floor Popin Business Centre South Way London HA9 0HF

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Strategic Report for the Year Ended 31 March 2016

The Directors present their strategic report for the year ended 31 March 2016.

Business model
As a leading supplier of transcription services to The National Health Services, the Company aims to deliver right solution for a client's unique structure and challenges.

The Company's digital systems-solutions capture dictations making material quickly available for transcription. The support and transcription teams are dedicated to one trust and to one speciality within that trust. This allows the Company to deliver high quality focused service to each of it's clients.

Principal activity
The principal activity of the company continues to be that of outsourcing medical transcription and supply of digital dictation systems.

Fair review of the business
The profit for the year, before taxation amounted to £1,078,753 (2015: £560,471).

Operational review and future development:

This is the first year that the company has presented its results under FRS 102 'The Financial Reporting Standard, applicable in the UK and Republic of Ireland. The last financial statements under previous UK GAAP were for the year ended 31 March 2015. The date of transition to FRS 102 was 1 April 2014. The impact of the transition to FRS 102 is set out in Note 25 'Transition to FRS 102'.

The company retains positive bank balance of £78,909 (2015: £313,086).

The Company continues to enjoy increase in it's client base. This has resulted in increased turnover by 29%. The Board continues to improve the Company's targets and achievements.

In line with the increase in turnover and reduction in cost the operating profit rose by 86%.

The continuous measurement and monitoring of business performance is a critical element of the Company's management process. This is achieved through rigorous operational policies and lean professional management. In order to provide consistent and comprehensive information the Company uses a number of key performance indicators (KPI's) to provide a timely and well balanced review of financial performance against predefined targets.

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Strategic Report for the Year Ended 31 March 2016

The Company's key financial and other performance indicators during the year were as follows:

	Unit	2016	2015
Gross profit to sales	%	58.09	51.88
Net profit before tax to sales	%	13.24	8.89
EBITDA (£m)	£	1.68	.98

Principal risks and uncertainties

The directors of the company meet on a regular basis to evaluate the Company's risk exposure and its risk profile.

The key risks fall broadly under the following categories:

Market:

The worldwide economy and market conditions affects the demand and supply for transcription services. The Company monitors market movements and key customer strategic plans, so that the Company can react promptly to changes in the projected sales volumes to ensure the business remains competitive and profitable.

Competitive:

The main competitive risk to the company arise from changing customer requirements based on market conditions. The Company continues to invest in providing quality services to the exacting requirements of its customers and by working in partnership with the same customers in developing service solutions to satisfy their current and future needs.

The Company has procedures in place to mitigate against market and competitive risks and its financial positions are monitored to ensure the amounts due to the Company are recoverable.

Approved by the Board on 20 December 2016 and signed on its behalf by:

....

Mr Mark Rudolph George Miller

Director

....

Mr Kandaswamy Murali Krishnan

Director

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Directors' Report for the Year Ended 31 March 2016

The Directors present their report and the financial statements for the year ended 31 March 2016.

Directors of the Company

The directors who held office during the year were as follows:

Mr Mark Rudolph George Miller

Mr Kandaswamy Murali Krishnan

Dr John Paul Horton (resigned 23 June 2016)

Dr Stephen Henry Graham (resigned 23 June 2016)

Financial instruments

Objectives and policies

The Company has established a risk and financial management framework whose primary objective is to protect the Company from events that hinder the achievement of the Company's performance objectives.

The objectives aim to limit undue financial risk exposure, ensure sufficient working capital exists and monitor risk at a business unit level.

The Company's principal financial instruments during the year comprised cash, bank loans, finance lease contracts, trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to provide funding for the Company's operations.

The existence of these financial instruments exposes the Company to a number of financial risks. The directors review and agree policies for managing each of these risks and they are summarised below.

Price risk, credit risk, liquidity risk and cash flow risk

Price Risk - The Company seeks to manage its price risk by constantly monitoring prices and associated costs. Procedures are implemented to utilise beneficial price and cost fluctuations.

Credit Risk — the Company seeks to manage its credit risk by dealing with established customers and by identifying and addressing any credit issues in a timely manner.

Liquidity Risk — the Company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitability.

Currency Risk — the functional currency is Sterling and majority of the overseas transactions are conducted in the functional currency. The directors consider this risk as nominal. The directors have considered the potential impact of BREXIT and are of the opinion that this will not increase the exposure to currency risk.

Interest rate risk — during the year the Company had obligations under finance lease contracts and bank loans. Exposure to interest rate risk was considered low and no derivatives were used.

Cash Flow Risk - Cash flow risk is the risk of exposure to variations in cash flows that is attributable to a particular risk associated with a recognised asset or liability such as future interest payments. The company manages this risk, by continuous monitoring its positions and ensuring the amounts due to the Company are recovered.

Environmental matters

The company recognises the importance of environmental matters and the directors are committed to continuous improvement in its environmental performance.

The company specifically:

• Complies with the requirements of all relevant environmental legislation.
• Uses the best available techniques in order to control impact on the environment.
• Develops management policies and practices to continually monitor and progress minimisation of the effects of the business on the environment.
• Encourages the minimisation of waste from all aspects of the business.
• Invested in energy efficient equipment.

Future developments

The directors aim to maintain the management policies which have resulted in the Company's steady growth in recent years and remain optimistic about future growth.

Research and development

The Company's research and development activities in the year, as in the previous years, consists primarily of developing methods for the complex high specification software for application within the transcriptions services for the health care sectors.

Going concern

The directors have considered the company's objective, risk management policies, liquidity risk, credit risk, capital management policies and procedures, the nature of its market positioning and its expenditure and cash flow projections. As a result of this review the directors have concluded that the company has adequate and reliable resources to continue to adopt a going concern basis in preparing these financial statements.

Disclosure of information to the auditors

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Reappointment of auditors

The auditors Jani Taylor Associates Limited are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Small companies provision statement

The report of the directors has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

Approved by the Board on 20 December 2016 and signed on its behalf by:

....

Mr Mark Rudolph George Miller
Director

....

Mr Kandaswamy Murali Krishnan
Director

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Statement of Directors' Responsibilities

The Directors acknowledge their responsibilities for preparing the Annual 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

Each person who is a director at the date of approval of these financial statements confirms that:

• so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
• the director has taken all the steps that he/she ought to have taken as director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This information is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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Independent Auditor's Report to the Members of Dictate It Limited

We have audited the financial statements of Dictate It Limited for the year ended 31 March 2016, set out on pages 10 to 34. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of Directors and auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 7), the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors to the financial statements.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Dictate It Limited

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Independent Auditor's Report to the Members of Dictate It Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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

- 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 in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Jani Taylor Associates Ltd

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Rajnikant Jani (Senior Statutory Auditor)
For and on behalf of Jani Taylor Associates Limited, Statutory Auditor

Office 6a, 1st Floor
Popin Business Centre
South Way
London
HA9 0HF

20 December 2016

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Profit and Loss Account for the Year Ended 31 March 2016

	Note	2016 £	2015 £
Turnover	3	8,149,340	6,304,569
Cost of sales		(3,414,992)	(3,034,067)
Gross profit		4,734,348	3,270,502
Administrative expenses		(3,611,726)	(2,667,153)
Operating profit	5	1,122,622	603,349
Other interest receivable and similar income	6	5,144	1,673
Interest payable and similar charges	7	(49,013)	(44,551)
		(43,869)	(42,878)
Profit before tax		1,078,753	560,471
Taxation	11	99,895	(138,968)
Profit for the financial year		1,178,648	421,503

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

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Statement of Comprehensive Income for the Year Ended 31 March 2016

	Note	2016 £	2015 £
Profit for the year		1,178,648	421,503
Total comprehensive income for the year		1,178,648	421,503

The notes on pages 15 to 34 form an integral part of these financial statements.

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(Registration number: 04930122)
Balance Sheet as at 31 March 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	12	1,537,714	847,992
Investments	13	4,444	108,688
		1,542,158	956,680
Current assets			
Debtors	14	1,914,882	1,839,735
Cash at bank and in hand		78,909	313,086
		1,993,791	2,152,821
Creditors: Amounts falling due within one year	16	(1,390,267)	(2,078,287)
Net current assets		603,524	74,534
Total assets less current liabilities		2,145,682	1,031,214
Creditors: Amounts falling due after more than one year	16	(274,390)	(317,601)
Provisions for liabilities	17	(25,298)	(46,267)
Net assets		1,845,994	667,346
Capital and reserves			
Called up share capital	18	3,971	3,971
Share premium reserve	19	5,102	5,102
Capital redemption reserve	19	1,580	1,580
Profit and loss account	19	1,835,341	656,693
Total equity		1,845,994	667,346

These accounts 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.

Approved and authorised by the Board on 20 December 2016 and signed on its behalf by:

....
Mr Mark Rudolph George Miller
Director

....
Mr Kandaswamy Murali Krishnan
Director

Dictate It Limited

trading as Dictate IT Limited

Statement of Changes in Equity for the Year Ended 31 March 2016

	Share capital £	Share premium £	Capital redemption reserve £	Profit and loss account £	Total £
At 1 April 2015	3,971	5,102	1,580	656,693	667,346
Profit for the year	-	-	-	1,178,648	1,178,648
Total comprehensive income	-	-	-	1,178,648	1,178,648
At 31 March 2016	3,971	5,102	1,580	1,835,341	1,845,994

	Share capital £	Share premium £	Capital redemption reserve £	Profit and loss account £	Total £
At 1 April 2014	3,971	5,102	1,580	235,190	245,843
Profit for the year	-	-	-	421,503	421,503
Total comprehensive income	-	-	-	421,503	421,503
At 31 March 2015	3,971	5,102	1,580	656,693	667,346

The notes on pages 15 to 34 form an integral part of these financial statements.

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Statement of Cash Flows for the Year Ended 31 March 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Profit for the year		1,178,648	421,503
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	5	555,616	378,786
Loss on disposal of tangible assets	4	-	5,764
Profit from disposals of investments	4	(52,541)	-
Finance income	6	(5,144)	(1,673)
Finance costs	7	67,636	25,131
Income tax (credit)/expense	11	(99,895)	138,968
		1,644,320	968,479
Working capital adjustments			
Increase in trade debtors	14	(75,147)	(567,802)
(Decrease)/increase in trade creditors	16	(553,634)	320,691
Cash generated from operations		1,015,539	721,368
Income taxes paid	11	(38,430)	(42,472)
Net cash flow from operating activities		977,109	678,896
Cash flows from investing activities			
Interest received	6	5,144	1,673
Proceeds from sale of subsidiaries		5,000	-
Acquisitions of tangible assets		(1,245,339)	(615,380)
Proceeds from sale of tangible assets		-	9,000
Net cash flows from investing activities		(1,235,195)	(604,707)
Cash flows from financing activities			
Interest paid	7	(67,636)	(25,131)
Repayment of bank borrowing		91,545	47,281
Net cash flows from financing activities		23,909	22,150
Net (decrease)/increase in cash and cash equivalents		(234,177)	96,339
Cash and cash equivalents at 1 April		313,086	216,747
Cash and cash equivalents at 31 March		78,909	313,086

The notes on pages 15 to 34 form an integral part of these financial statements.

1 General information

The company is a private company limited by share capital incorporated in England.

The address of its registered office is:
96A Clifton Hill
London
NW8 0JT
United Kingdom

These financial statements were authorised for issue by the Board on 20 December 2016.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance
These financial statements were prepared in accordance with Financial Reporting Standard 102 Section 1A small entities 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation
These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

FRS 102 has been applied early as permitted by the standard.

Going concern
The accounts have been prepared under the going concern basis. The directors have reviewed future trading and cash flow forecasts for the company and concluded it can meet its liabilities as they fall due for the foreseeable future.

Changes in accounting policy

New standards, interpretations and amendments effective
The following have been applied for the first time from 1 April 2015 and have had an effect on the financial statements:

Transition to FRS 102
The entity transitioned from previous UK GAAP to FRS 102 as at 1 April 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 25.

Reclassification of comparative amounts
Certain items previously reported have been reclassified to conform to the current year's reporting format. Such reclassifications did not affect net income or shareholders' equity.

Judgements
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Lease commitments :

The Company has entered into commercial leases as a lessee, it obtains use of property, plant and equipment. The classification of such leases as operating or finance lease requires the Company to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease.

Key sources of estimation uncertainty
Development expenditure:

Development expenditure is capitalised in accordance with the accounting policy given below. Initial capitalisation of costs is based on management's judgement that technical and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the assets, discount rates to be applied and the expected period of benefits.

Impairment of assets:

Where the indicators of impairment of individual assets, the Company performs impairment tests based on fair value less costs. The fair value less costs calculation is based on available data from binding sales relations in an arm's length transaction.

Taxation and deferred taxation:

The Company establishes provisions based on reasonable estimates, for possible consequences of audits by the tax authorities. The amount of such provisions is based on various factors. Management estimation is also required to determine the amount of deferred tax assets and liabilities that can be recognised, based upon likely timing and level of future taxable profits.

Revenue recognition
Turnover comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the Company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The Company recognises revenue when:
The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the Company's activities.

Foreign currency transactions and balances
Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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 UK where the company operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the Company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Deferred tax liabilities are presented within provisions for liabilities whilst deferred tax assets within debtors.
Deferred tax assets and deferred tax liabilities are offset only if:
- the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

The Company shall measure a deferred tax liability/ asset using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Tangible assets

Tangible assets is stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Software development costs are recognised as a tangible asset when all of the following criteria are demonstrated:

- The technical feasibility of completing the software so that it will be available for use or sale.
- The intention to complete the software and use or sell it.
- The ability to use the software or to sell it.
- How the software will generate probable future economic benefits.
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the software.
- The ability to measure reliably the expenditure attributable to the software during its development.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	**Depreciation method and rate**
Office equipment	Straight line over 4 years
Other Tangibles	Straight line over 3 years

Investments
Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors
Trade debtors are amounts due from customers for services provided in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors
Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings
Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Provisions
Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

The Company recognises a provision for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next 12 months. The provision is measured at the salary cost payable for the period of absence.

Leases
Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital
Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Research and development
Research and development expenditure is written off as incurred, except that development expenditure incurred on an individual project is capitalised as an intangible asset when the Company can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the asset and the ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at £940,122 less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised evenly over the period of expected future benefit. During the period of development the asset is tested for impairment annually.

Financial instruments

Classification

All financial instruments at reporting date are included under the appropriate format heading depending on the nature of the instrument.

Recognition and measurement

Financial instruments are recognised at amortised cost, any gains or losses being reported in profit or loss.

Impairment

At each reporting date financial instruments are reviewed to determine whether there is any indication that those instruments have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carry amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2016 £	2015 £
Rendering of services	8,149,340	6,304,569

4 Other gains and losses

The analysis of the company's other gains and losses for the year is as follows:

	2016 £	2015 £
Gain (loss) on disposal of property, plant and equipment	-	(5,764)
Gain (loss) from disposals of investments	(52,541)	-
	(52,541)	(5,764)

5 Operating profit

Arrived at after charging/(crediting)

	2016 £	2015 £
Depreciation expense	555,616	378,786
Operating lease expense - plant and machinery	18,006	13,640
Loss on disposal of property, plant and equipment	-	5,764

6 Other interest receivable and similar income

	2016 £	2015 £
Interest income on bank deposits	-	1,673
Other finance income	5,144	-
	5,144	1,673

7 Interest payable and similar charges

	2016 £	2015 £
Interest on bank overdrafts and borrowings	20,933	25,131
Borrowing costs included in cost of qualifying asset	46,703	-
Foreign exchange (gains) / losses	(18,623)	19,420
	49,013	44,551

8 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2016 £	2015 £
Wages and salaries	1,913,812	1,226,216
Social security costs	260,270	197,308
Other employee expense	35,362	15,359
	2,209,444	1,438,883

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2016 No.	2015 No.
Administration and support	8	5
Sales, marketing and distribution	4	4
Other departments	37	43
	49	52

9 Directors' remuneration

The directors' remuneration for the year was as follows:

	2016 £	2015 £
Remuneration	944,328	270,689

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2016 No.	2015 No.
Received or were entitled to receive shares under long term incentive schemes	1	1

10 Auditors' remuneration

	2016 £	2015 £
Audit of the financial statements	18,000	16,025
Other fees to auditors		
Taxation compliance services	4,000	4,000

11 Taxation

Tax charged/(credited) in the income statement

	2016 £	2015 £
Current taxation		
UK corporation tax	-	117,357
UK corporation tax adjustment to prior periods	(78,926)	951
	(78,926)	118,308
Deferred taxation		
Arising from origination and reversal of timing differences	(20,969)	20,660
Tax (receipt)/expense in the income statement	(99,895)	138,968

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2015 - the same as the standard rate of corporation tax in the UK) of 20% (2015 - 20%).

The differences are reconciled below:

	2016 £	2015 £
Profit before tax	1,078,753	560,471
Corporation tax at standard rate	215,751	112,094
Effect of expense not deductible in determining taxable profit (tax loss)	137,190	80,668
Increase (decrease) in UK and foreign current tax from adjustment for prior periods	78,926	(951)
Tax increase (decrease) from effect of capital allowances and depreciation	(65,685)	(163,709)
Tax increase (decrease) from effect of adjustment in research and development tax credit	(432,456)	-
Other tax effects for reconciliation between accounting profit and tax expense (income)	(33,621)	110,866
Total tax (credit)/charge	(99,895)	138,968

Deferred tax
Deferred tax assets and liabilities

2016	Liability £
Accelerated tax depreciation	25,298

2015	Liability £
Accelerated tax depreciation	46,267

12 Tangible assets

	Furniture, fittings and equipment £	Other tangibles £	Total £
Cost			
At 1 April 2015	208,857	2,074,334	2,283,191
Additions	11,960	1,233,379	1,245,339
At 31 March 2016	220,817	3,307,713	3,528,530
Depreciation			
At 1 April 2015	113,552	1,321,647	1,435,199
Charge for the year	35,445	520,172	555,617
At 31 March 2016	148,997	1,841,819	1,990,816
Carrying amount			
At 31 March 2016	71,820	1,465,894	1,537,714
At 31 March 2015	95,305	752,687	847,992

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2016	2015
	£	£
Plant and machinery	58,518	84,124

Restriction on title and pledged as security

Plant and machinery with a carrying amount of £58,518 (2015 - £84,124) has the following restriction on title:
Obligations under finance lease contracts are secured over the asset being financed. .

13 Investments in subsidiaries, joint ventures and associates

	2016	2015
	£	£
Investments in subsidiaries	4,444	108,688

Subsidiaries	£
Cost	
At 1 April 2015	108,688
Revaluation/(Impairment)	(46,703)
Disposals	(57,541)
At 31 March 2016	4,444
Provision	
Carrying amount	
At 31 March 2016	4,444
At 31 March 2015	108,688

Aggregate financial information of associates

	2016	2015
	£	£
Total assets	1,034,542	1,110,237
Total liabilities	(567,554)	(687,565)
Net assets	466,988	422,672
Revenues	2,878,589	3,034,049
Profit or loss	28,341	82,568

Impairment of associates

The amount of impairment loss included in profit or loss is £46,703 (2015 - £Nil). The impairment loss arises due to adverse market conditions resulting in the lowered sale consideration for the former subsidiary.

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Associates

British Orient Infotel Pvt. Ltd.	India	Ordinary	24%	51%

The principal activity of British Orient Infotel Pvt. Ltd. is the provision of medical transcription services.

14 Debtors

	Note	2016 £	2015 £
Trade debtors		1,589,049	1,364,068
Amounts owed by related parties	22	169,118	370,474
Other debtors		150,703	89,997
Prepayments		6,012	15,196
Total current trade and other debtors		1,914,882	1,839,735

15 Cash and cash equivalents

	2016 £	2015 £
Cash on hand	-	12
Cash at bank	78,909	313,074
	78,909	313,086

16 Creditors

	Note	2016 £	2015 £
Due within one year			
Loans and borrowings	20	619,072	636,102
Trade creditors		122,551	116,049
Amounts due to related parties	22	-	662,575
Social security and other taxes		601,520	506,992
Other payables		25,124	15,183
Accrued expenses		22,000	24,030
Income tax liability	11	-	117,356
		1,390,267	2,078,287
Due after one year			
Loans and borrowings	20	274,390	317,601

17 Deferred tax and other provisions

	Deferred tax £
At 1 April 2015	46,267
Increase (decrease) in existing provisions	(20,969)
At 31 March 2016	25,298

18 Share capital

Allotted, called up and fully paid shares

	2016 No.	2016 £	2015 No.	2015 £
Ordinary £1 shares of £1 each	3,971	3,971	3,971	3,971

In October 2015, the Company granted options for buyback of 307 ordinary shares. The option comprise in total payments of £245,600 if exercised. None of the options have been exercised by the date of approval of these accounts. The cost of purchase of these options £61,400 have been expensed in Profit & Loss Account. The right to exercise the options lapses on 15 April 2017.

In June 2016 the Company bought 927 Ordinary shares back from the shareholders. The buyback from the distributable reserves, was financed by a bank loan of £1,000,000. The loan bears interest at 4.75% above National Westminster Bank base rate. The capital of the loan is repayable by quarterly instalments of £62,500, together with the interest.

19 Reserves

Called up share capital

Represents the nominal value of shares that have been issued.

Share premium reserve

Includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Capital redemption reserve

The Company is able to redeem its shares wholly out of profits available for distribution, a sum equal to the amount by which the Company's share capital is diminished on cancellation of the shares are transferred to this reserve.

Profit and loss account

Includes all current and prior period retained profits and losses.

20 Loans and borrowings

	2016 £	2015 £
Non-current loans and borrowings		
Bank borrowings	274,390	280,702
Finance lease liabilities	-	36,899
	274,390	317,601

	2016 £	2015 £
Current loans and borrowings		
Bank borrowings	582,172	606,582
Finance lease liabilities	36,900	29,520
	619,072	636,102

Bank borrowings
Business term loan 1 is denominated in sterling with a interest rate of 2.75 %over bank base rate, and the final instalment is due on 24 December 2018. The carrying amount at year end is £280,702 (2015 - £385,965).

Bank loans have been secured over all the assets of the company through a debenture by way of a fixed and floating charge created on 16 March 2006 and by way of a further guarantee, provided by the Department of Trade and Industry.
The Company shall repay the loan and interest by monthly instalments of £2,778 and a final instalment of an amount sufficient to repay the loan and interest in full.

Business term loan 2 is denominated in sterling with a interest rate of 6.27 %over bank base rate, and the final instalment is due on 28 September 2018. The carrying amount at year end is £126,424 (2015 - £Nil).

Bank loans have been secured over all the assets of the company through a debenture by way of a fixed and floating charge created on 16 March 2006. A further security by way of a personal limited guarantee of £190,000 has been granted by Mr Mark Miller, a director of the Company.
The Company shall repay the loan and interest by monthly instalments of £4,579 and a final instalment of an amount sufficient to repay the loan and interest in full.

Other borrowings
Sales invoice finance with a carrying amount of £449,436 (2015 - £501,319) is denominated in sterling . A discount margin of 2.25% and a service charge of 0.34% is applied to the notified value.

The sales invoice finance loan is secured by way of a charge over the trade debtors and a fixed and floating charge over the assets of the Company dated 21 May 2008. In addition, Mr Mark Miller has pledged by way of a security, a personal guarantee for £10,000.

21 Obligations under leases and hire purchase contracts

Finance leases

The total of future minimum lease payments is as follows:

	2016 £	2015 £
Not later than one year	36,900	29,520
Later than one year and not later than five years	-	36,899
	36,900	66,419

Operating leases
The total of future minimum lease payments is as follows:

	2016 £	2015 £
Not later than one year	97,343	99,500
Later than one year and not later than five years	103,476	112,000
	200,819	211,500

The amount of non-cancellable operating lease payments recognised as an expense during the year was £97,343 (2015 - £118,933).

22 Related party transactions

Transactions with directors

2016	At 1 April 2015 £	Advances to directors £	Repayments by director £	Other payments made to company by director £	Written off/ transferred £	Waived £	At 31 March 2016 £
Mr Mark Rudolph George Miller							
Loan	94,326	208,835	(284,008)	-	-	-	19,153
Mr Kandaswamy Murali Krishnan							
Loan	275,900	-	-	-	(275,900)	-	-
Dr Stephen Henry Graham							
Trading balance	248	-	-	-	(248)	-	-

2015	At 1 April 2014 £	Advances to directors £	Repayments by director £	Other payments made to company by director £	Written off/ transferred £	Waived £	At 31 March 2015 £
Mr Mark Rudolph George Miller							
Loan	-	94,326	-	-	-	-	94,326
Mr Kandaswamy Murali Krishnan							
Loan	-	275,900	-	-	-	-	275,900
Dr Stephen Henry Graham							
Trading balance	-	248	-	-	-	-	248

Other transactions with directors

On 25 March 2016 by way of a Deed of Novation, the Company has transferred its debt asset due from Mr K M Krishnan, amounting to £275,900, to its prior subsidiary British Orient Infotel Private Limited.

23 Financial instruments

Categorisation of financial instruments

	2016	2015
	£	£
Financial liabilities measured at amortised cost	36,900	66,419
Loan commitments measured at cost less impairment	856,562	887,284
	893,462	953,703

Financial assets pledged as collateral

Financial assets at amortised cost

The carrying amount of the financial assets pledged as collateral is £893,462 (2015 - £953,703).
Obligations under finance leases and hire purchase contracts are secured over the asset being financed.

Impairment

Investment in subsidiary

The amount of the impairment loss during the year is £(46,703) (2015 - £Nil).

24 Non adjusting events after the financial period

On 17 June 2016 the Company entered into a loan facility with National Westminster Bank Plc to borrow £1,000,000 for the acquisition and related costs in connection with the share buyback. These borrowings are secured by way of an existing debenture and a personal limited guarantee of £190,000 granted by Mr Mark Miller, a director of the Company. The Company shall pay to the bank interest at a rate which is equivalent to 4.75% per annum above the banks base rate.

25 Transition to FRS 102

Balance Sheet at 1 April 2014

	Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
Fixed assets					
Tangible assets		626,162	-	-	626,162
Investments		108,688	-	-	108,688
		734,850	-	-	734,850
Current assets					
Debtors		1,284,575	-	-	1,284,575
Cash at bank and in hand		223,562	-	-	223,562
		1,508,137	-	-	1,508,137
Creditors: Amounts falling due within one year		(1,580,457)	-	-	(1,580,457)
Net current liabilities		(72,320)	-	-	(72,320)
Total assets less current liabilities		662,530	-	-	662,530
Creditors: Amounts falling due after more than one year		(391,080)	-	-	(391,080)
Provisions for liabilities		(25,607)	-	-	(25,607)
Net assets		245,843	-	-	245,843
Capital and reserves					
Called up share capital		(3,941)	-	-	(3,941)
Share premium reserve		(5,102)	-	-	(5,102)
Capital redemption reserve		(1,580)	-	-	(1,580)
Profit and loss account		(235,220)	-	-	(235,220)
Total equity		(245,843)	-	-	(245,843)

Balance Sheet at 31 March 2015

	Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
Fixed assets					
Tangible assets		847,992	-	-	847,992
Investments		108,688	-	-	108,688
		956,680	-	-	956,680
Current assets					
Debtors		1,839,736	-	-	1,839,736
Cash at bank and in hand		313,085	-	-	313,085
		2,152,821	-	-	2,152,821
Creditors: Amounts falling due within one year		(2,078,287)	-	-	(2,078,287)
Net current assets		74,534	-	-	74,534
Total assets less current liabilities		1,031,214	-	-	1,031,214
Creditors: Amounts falling due after more than one year		(317,601)	-	-	(317,601)
Provisions for liabilities		(46,267)	-	-	(46,267)
Net assets		667,346	-	-	667,346
Capital and reserves					
Called up share capital		(3,971)	-	-	(3,971)
Share premium reserve		(5,102)	-	-	(5,102)
Capital redemption reserve		(1,580)	-	-	(1,580)
Revaluation reserve		(656,693)	-	-	(656,693)
Total equity		(667,346)	-	-	(667,346)

Dictate It Limited

trading as Dictate IT Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

Profit and Loss Account for the year ended 31 March 2015

	Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
Turnover		6,304,569	-	-	6,304,569
Cost of sales		(3,034,067)	-	-	(3,034,067)
Gross profit		3,270,502	-	-	3,270,502
Administrative expenses		(2,686,573)	19,420	-	(2,667,153)
Operating profit		583,929	19,420	-	603,349
Other interest receivable and similar income		1,673	-	-	1,673
Interest payable and similar charges		(25,131)	(19,420)	-	(44,551)
		(23,458)	(19,420)	-	(42,878)
Profit before tax		560,471	-	-	560,471
Taxation		(138,968)	-	-	(138,968)
Profit for the financial year		421,503	-	-	421,503

These are the first financial statements that comply with Financial Reporting Standard 102 (FRS 102). The Company transitioned to FRS 102 on 1 April 2014. The comparative figures have been restated as reported above.