

Registered number: 07104275



DIAL-A-TV (RENTALS) LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MARCH 2020

THURSDAY



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COMPANIES HOUSE

DIAL-A-TV (RENTALS) LIMITED
REGISTERED NUMBER: 07104275

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	4	-	8,382
Tangible assets	5	-	2,078,918
		-	2,087,300
Current assets			
Debtors: amounts falling due within one year	6	46,475	485,795
Cash at bank and in hand		170	306,595
		46,645	792,390
Creditors: amounts falling due within one year	7	(1,142,607)	(4,469,099)
Net current liabilities		(1,095,962)	(3,676,709)
Total assets less current liabilities		(1,095,962)	(1,589,409)
Net liabilities		(1,095,962)	(1,589,409)
Capital and reserves			
Called up share capital	8	1	1
Other reserves		750,000	750,000
Profit and loss account		(1,845,963)	(2,339,410)
		(1,095,962)	(1,589,409)

DIAL-A-TV (RENTALS) LIMITED
REGISTERED NUMBER: 07104275

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2020

The directors consider that the Company is entitled to exemption from audit under section 479A of the Companies Act 2006.

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the 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:



R J Hughes
Director

Date: 22 December 2020

The notes on pages 4 to 12 form part of these financial statements.

DIAL-A-TV (RENTALS) LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020**

	Called up share capital	Other reserves	Capital contribution	Profit and loss account	Total equity
	£	£	£	£	£
At 1 April 2018	1	750,000	-	(6,841,816)	(6,091,815)
Loss for the year	-	-	-	(492,497)	(492,497)
Capital contribution from parent company	-	-	4,994,903	-	4,994,903
Transfer to/from profit and loss account	-	-	(4,994,903)	4,994,903	-
At 1 April 2019	1	750,000	-	(2,339,410)	(1,589,409)
Profit for the year	-	-	-	493,447	493,447
At 31 March 2020	1	750,000	-	(1,845,963)	(1,095,962)

The notes on pages 4 to 12 form part of these financial statements.

DIAL-A-TV (RENTALS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1. General information

Dial-A-TV (Rentals) Limited is a private company limited by shares and incorporated in England, registration number 07104275. The registered office is Mobbs Way, Lowestoft, Suffolk, United Kingdom, NR32 3AL.

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 financial statements are presented in Sterling which is the functional currency of the company and rounded to the nearest £1.

The ultimate parent company, Hughes Electrical Limited, has provided a guarantee over the liabilities of the Company under section 479C of the Companies Act 2006 such that the Company can claim exemption from audit under section 479A.

The following principal accounting policies have been applied:

2.2 Turnover

Turnover comprises sales of goods and services excluding sales taxes. The following accounting policies are applied to the principal turnover generating activities in which the Company is engaged:

- Turnover from the sale of goods is recognised at the point of sale or, where later, upon delivery to the customer and is stated net of returns;
- Turnover from provision of products through rental agreements are classified as operating leases at the inception of the agreement as the majority of the risks and rewards of the goods remain within the Company. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. The Company accounts for its turnover on an accruals basis for all rental agreements taking credit for all monthly instalments that have fallen due, but not for instalments which will fall due in the future under contracts in existence at the balance sheet date. An appropriate provision is made against unpaid accounts which have fallen due where it is believed that they may not be receivable.
- Turnover earned from the sale of customer support agreements is recognised over the term of the contracts when the Company obtains the right to consideration as a result of performance of its contractual obligations. Turnover in any one year is recognised by reference to the stage of completion of the contractual terms at the balance sheet date. The stage of completion is estimated with reference to the proportion of the expected costs of fulfilling the Company's total obligations under the agreements, determined by reference to extensive historical claims data. Reliance on historical data assumes that current and future experience will follow past trends. The directors make an annual assessment of this data to ensure this continues to reflect the best estimate of expected future trends;
- Turnover arising on services (including delivery and installation, product repairs and product support), is recognised when the relevant services are provided.

DIAL-A-TV (RENTALS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.3 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of Comprehensive Income over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.4 Tangible fixed assets

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

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Rental assets	- 3 - 6 years straight line
Office equipment	- 6 years straight line

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

DIAL-A-TV (RENTALS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.5 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.7 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.

DIAL-A-TV (RENTALS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.8 Financial instruments

The Company only enters into basic financial instrument 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 ordinary shares.

2.9 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.

2.10 Finance costs

Finance costs are charged to profit or loss 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.

2.11 Operating leases: the Company as lessor

Rentals income from operating leases is credited to profit or loss on a straight line basis over the term of the relevant lease.

Amounts paid and payable as an incentive to sign an operating lease are recognised as a reduction to income over the lease term on a straight line basis, unless another systematic basis is representative of the time pattern over which the lessor's benefit from the leased asset is diminished.

2.12 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.13 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

DIAL-A-TV (RENTALS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.14 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Statement of Financial Position date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Statement of Financial Position date.

2.15 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

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

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

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

During the current year, the directors decided that the Company should be reimbursed for tax losses surrendered to other group companies. The current year tax credit includes a charge for current and previous year losses surrendered.

DIAL-A-TV (RENTALS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

3. Employees

The average monthly number of employees, including directors, during the year was 0 (2019 - 78).

4. Intangible assets

	Patents £	Goodwill £	Total £
Cost			
At 1 April 2019	1,478,541	4,143,303	5,621,844
Disposals	(1,478,541)	(4,126,540)	(5,605,081)
At 31 March 2020	-	16,763	16,763
Amortisation			
At 1 April 2019	1,478,541	4,134,921	5,613,462
Charge for the year on owned assets	-	8,382	8,382
On disposals	(1,478,541)	(4,126,540)	(5,605,081)
At 31 March 2020	-	16,763	16,763
Net book value			
At 31 March 2020	-	-	-
At 31 March 2019	-	8,382	8,382

DIAL-A-TV (RENTALS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

5. Tangible fixed assets

	Assets on rental £	Office equipment £	Assets available for rent £	Total £
Cost				
At 1 April 2019	3,110,915	56,031	113,136	3,280,082
Additions	416,776	-	-	416,776
Transfers intra group	(2,738,168)	-	-	(2,738,168)
Disposals	(789,523)	(56,031)	(113,136)	(958,690)
At 31 March 2020	-	-	-	-
At 1 April 2019	1,168,316	32,848	-	1,201,164
Charge for the year on owned assets	410,022	1,350	-	411,372
Transfers intra group	(1,215,991)	-	-	(1,215,991)
Disposals	(362,347)	(34,198)	-	(396,545)
At 31 March 2020	-	-	-	-
Net book value				
At 31 March 2020	-	-	-	-
At 31 March 2019	1,942,599	23,183	113,136	2,078,918

DIAL-A-TV (RENTALS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

6. Debtors

	2020	2019
	£	£
Trade debtors	-	402,019
Amounts owed by group undertakings	46,047	-
Other debtors	428	18,432
Prepayments and accrued income	-	65,344
	<u>46,475</u>	<u>485,795</u>

7. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Trade creditors	2,414	129,125
Amounts owed to group undertakings	1,128,729	4,155,278
Other taxation and social security	-	28,302
Other creditors	528	507
Accruals and deferred income	10,936	155,887
	<u>1,142,607</u>	<u>4,469,099</u>

8. Share capital

	2020	2019
	£	£
Allotted, called up and fully paid		
1 (2019 - 1) Ordinary share of £1.00	<u>1</u>	<u>1</u>

9. Contingent liabilities

The Company has given a cross guarantee for the bank borrowings of the other group companies up to the level of their overdraft and loans. As at the year end the bank overdraft guaranteed amounted to £3,619,739 (2019 - £4,110,325), and the bank loan of the group companies amounted to £7,200,000 (2019 - £8,100,000).

The Company has given a cross guarantee for the VAT liability of other group companies. As at the year end the VAT liability guaranteed amounted to £1,857,157 (2019 - £1,771,622).

DIAL-A-TV (RENTALS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

10. Pension commitments

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 and amounted to £Nil (2019 - £53,986). Contributions totalling £Nil (2019 - £Nil) were payable to the fund at the year end and are included in creditors.

11. Related party transactions

The Company has taken advantage of the exemption available in FRS 102 section 33 from the requirement to disclose transactions with its parent company and any wholly owned subsidiaries.

12. Parent undertaking

The Company is included in the consolidated financial statements of Hughes Electrical Limited. Their registered office is Mobbs Way, Goreleston Road Industrial Estate, Gorleston Road, Lowestoft, Suffolk, NR32 3AL.