

CARHOLME DENTAL LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017
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CARHOLME DENTAL LIMITED

COMPANY INFORMATION

Directors	J D Schonberg G Staneviciene
Company number	08604832
Registered office	14 David Mews London W1U 6EQ
Accountants	Oliver Clive & Co Limited 14 David Mews London W1U 6EQ

CARHOLME DENTAL LIMITED

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CARHOLME DENTAL LIMITED

BALANCE SHEET

AS AT 30 JUNE 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Intangible assets	4		290,700		484,500
Tangible assets	5		17,096		17,789
Current assets					
Stocks		2,654		2,506	
Debtors	6	93,981		120,205	
Cash at bank and in hand		12,695		8,289	
		109,330		131,000	
Creditors: amounts falling due within one year	7	(346,202)		(579,089)	
Net current liabilities			(236,872)		(448,089)
Total assets less current liabilities			70,924		54,200
Creditors: amounts falling due after more than one year	8		(6,891)		-
Provisions for liabilities			(2,599)		-
Net assets			61,434		54,200
Capital and reserves					
Called up share capital	10		100		100
Profit and loss reserves			61,334		54,100
Total equity			61,434		54,200

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

For the financial year ended 30 June 2017 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies

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

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


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

CARHOLME DENTAL LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2017

The financial statements were approved by the board of directors and authorised for issue on 28 March 2018 and are signed on its behalf by



J D Schonberg
Director

Company Registration No. 08604832

CARHOLME DENTAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

1 Accounting policies

Company information

Carholme Dental Limited is a private company limited by shares incorporated in England and Wales. The registered office is 14 David Mews, London, W1U 6EQ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Turnover represents the income received in the ordinary course of business for dentistry goods and services provided, to the extent that the group has obtained the right to consideration. Turnover derived from NHS contracts is recognised on the volume of dental activity delivered in the contract period. Turnover from private dental work is recognised based on the stage of completion of each piece of treatment carried out.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

CARHOLME DENTAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

1 Accounting policies

(Continued)

1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 5 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.5 Tangible fixed assets

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

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

Land and buildings Leasehold	Over the term of the lease
Fixtures, fittings & equipment	20% on the straight line basis
Motor vehicles	33% on the reducing balance basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Stocks

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

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

CARHOLME DENTAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2017

1 Accounting policies

(Continued)

1.8 Financial instruments

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

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Taxation

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

Current tax

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

CARHOLME DENTAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Employee benefits

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

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

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Leases

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

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 9 (2016 - 11).

3 Taxation

	2017	2016
	£	£
Current tax		
UK corporation tax on profits for the current period	21,133	11,104

CARHOLME DENTAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2017

3	Taxation	(Continued)	
	Deferred tax		
	Origination and reversal of timing differences	2,599	-
	Total tax charge	23,732	11,104
4	Intangible fixed assets		
			Goodwill
			£
	Cost		
	At 1 July 2016 and 30 June 2017		969,000
	Amortisation and impairment		
	At 1 July 2016		484,500
	Amortisation charged for the year		193,800
	At 30 June 2017		678,300
	Carrying amount		
	At 30 June 2017		290,700
	At 30 June 2016		484,500
5	Tangible fixed assets		
		Land and buildings	Plant and machinery etc
		£	£
	Cost		
	At 1 July 2016	1,000	35,529
	Additions	-	10,194
	Disposals	-	(3,327)
	At 30 June 2017	1,000	42,396
	Depreciation and impairment		
	At 1 July 2016	300	18,440
	Depreciation charged in the year	100	7,460
	At 30 June 2017	400	25,900
	Carrying amount		
	At 30 June 2017	600	16,496
	At 30 June 2016	700	17,089

CARHOLME DENTAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

5 Tangible fixed assets (Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts:

	2017 £	2016 £
Fixtures, fittings & equipment	6,600	9,900
Depreciation charge for the year in respect of leased assets	3,300	3,300

Assets held under finance leases had finance charges in the year of £858 (2016 - £858)

6 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	42,408	38,385
Amounts owed by parent undertaking	9,383	20,376
Amounts owed by fellow group undertakings	25,700	51,076
Other debtors	16,490	10,368
	93,981	120,205

7 Creditors: amounts falling due within one year

	2017 £	2016 £
Amounts due to fellow group undertakings	5,500	-
Corporation tax	32,561	56,264
Other taxation and social security	1,554	2,844
Other creditors	306,587	519,981
	346,202	579,089

8 Creditors: amounts falling due after more than one year

	2017 £	2016 £
Other creditors	6,891	-

CARHOLME DENTAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2017

9 Finance lease obligations

	2017	2016
	£	£
Future minimum lease payments due under finance leases:		
Within one year	4,158	14,349
In two to five years	6,891	-
	<u>11,049</u>	<u>14,349</u>

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

10 Called up share capital

	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

11 Financial commitments, guarantees and contingent liabilities

The company is the member of a group banking arrangement of Carholme Dental Group Limited group of companies which has given an unlimited cross guarantee on the bank overdraft and loan facilities of the group. The company has also given a debenture over all of its assets as security for the group banking facilities. At the balance sheet date, the amount outstanding in respect of these facilities was £191,068 (2016 - £213,768).

12 Directors' transactions

At the year end the company owed G Staneviciene (director) £155,994 (2016 - £282,029) and J Schonberg (director) £101,219 (2016 - £116,591).

During the year G Staneviciene made drawings of £126,035 and J Schonberg made drawings of £15,372.

The loans are interest free with no terms of repayment.

CARHOLME DENTAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 30 JUNE 2017**

13 Related party transactions

The company is a wholly owned subsidiary of Carholme Dental Group Limited, whose registered address is 14 David Mews, London, W1U 6EQ.

During the year the company traded with fellow subsidiaries within the Carholme Dental Group and its parent company, Carholme Dental Limited.

The company is a wholly owned subsidiary and has taken advantage of the exemption from disclosure of related party transactions with other wholly owned subsidiaries in paragraph 1AC.35 of FRS 102.

As at 30 June 2017 the company was owed £13,990 (2016: £Nil) from Carholme Freeholds Limited, a company related by common control. The balance represents a working capital loan arrangement and any transactions during the year related solely to loan movements. The loan has no interest or repayment terms.

There were no other related party transactions to disclose during the year.