

Dolby Medical Limited
Company Number: SC436429

Annual report and financial statements - 31 March 2022



Dolby Medical Limited
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For the year ended 31 March 2022

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Dolby Medical Limited
Strategic report
For the year ended 31 March 2022

The directors present their Strategic report for the year ended 31 March 2022.

Principal activities

The principal activity of the company is the supply of dental equipment and servicing to dental practices throughout Scotland.

Business review

Review of the development and performance of the company

The Company is a member of the group of companies headed by DD Group Holdings Ltd ('the Group'). The principal activities of the Group is the provision of materials, services and equipment to dental practices.

The Group is a leading supplier of dental and other medical consumables, materials, medical aesthetics and services (including the installation and servicing of specialised dental equipment), selling dental supplies and services to at least 8,000 dental practices and 3,000 aesthetic practices.

Strategy and future outlook

The directors believe that the company continues to be well positioned within the Group's decision to take advantage of further opportunities within the market.

Financial review

The company's revenue was principally derived from the supply of dental equipment and servicing to dental practices throughout Scotland.

Turnover for the year was £2,891,728 (2021: £2,345,007). Operating profit for the year was £471,552 (2021: £282,871). The profit for the financial year was £470,498 (2021: £292,463).

Earnings before interest, tax, depreciation and amortisation ("EBITDA") is the key indicator for the company's stakeholders. In the year EBITDA before non-underlying items was £518,457 (2021: £341,535).

Principal risks and uncertainties

The company's risks and uncertainties are integrated with the principal risks and uncertainties of the Group. Accordingly, the principal risks and uncertainties of DD Group Holdings Ltd, which includes those of the Company, are discussed in the Strategic report in the financial statements of DD Group Holdings Ltd which does not form part of this report.

The consolidated financial statements of DD Group Holdings Ltd are publicly available and may be obtained from DD Group Holdings Ltd, 6 Perry Way, Witham, Essex, CM8 3SX, United Kingdom.

Dolby Medical Limited
Strategic report
For the year ended 31 March 2022

Business review *(continued)*

Key performance indicators

Key performance indicators (“KPI’s”) which the directors and other stakeholders monitor are Sales, EBITDA, and Profit after tax. This is reviewed in absolute terms and in relation to budgeted and prior year comparatives.

Other KPIs used by the company include the following:

- Number of telephone and internet orders received;
- Engineer utilisation by area; and
- Assets per day by engineer.

The directors consider these ratios to be commercially sensitive and as a consequence details are not disclosed within this report.

Financial risk management

The Board of Directors has overall responsibility for the establishment and oversight of the company’s risk management framework. The company’s activities expose it to a variety of financial risks: credit risk, liquidity risk, market risk and inflation risk.

The company’s risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company’s activities.

Credit risk

Credit risk is the risk of financial loss to the company if a customer fails to meet its contractual obligations. New customers are subject to external credit checks using the main agencies. Credit terms are negotiated individually and subsequently monitored closely by the credit control team. The company has no significant concentration of credit risk as third party exposure is spread over a number of customers.

Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company’s approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company’s reputation.

Market risk

Market risk is the risk that changes in the level of market competition, or movements in foreign exchange rates will affect the company’s income or costs. The company operates within markets which are subject to a high degree of competition. In addition, the cost of certain materials purchased by the company can be indirectly impacted by movements in foreign exchange rates. Both of these factors can apply pressure to the company’s cost of goods and pricing and therefore impact margins and the ability of the company to win and retain contracts. The company principally mitigates this risk through the competitive tendering of its significant supply contracts and regular monitoring of competitor pricing.

Dolby Medical Limited
Strategic report
For the year ended 31 March 2022

Financial risk management *(continued)*

Inflation risk

Inflation risk is the risk that the cost of key services and products procured by the company will rise with inflation and affect the company's income.

The company undergoes a regular review of key suppliers through its procurement programme to mitigate cost increases, using tendering processes where possible. In addition, the company seeks to rationalise its supplier base to benefit from its scale.

On behalf of the Board



B Goodger
Director

Date: 20-12-2022

Dolby Medical Limited
Directors' report
For the year ended 31 March 2022

The directors present their report and the unaudited financial statements for the year ended 31 March 2022.

Financial risk management

Please refer to the Strategic report for a description of the company's financial risk management processes.

Future developments

Please refer to the strategy and future outlook section of the Strategic report for a description of future developments.

Proposed dividend

There were no dividends paid, recommended or declared during the current or previous financial year.

Directors

The directors who held office during the financial year and to the date of this report are as follows:

GP Adams	
B Goodger	
NK Pandya	(resigned 6 June 2022)
T Riall	(resigned 6 June 2022)

The directors benefitted from qualifying third party indemnity provisions in place during the financial year and to the date of this report.

Statement of directors' responsibilities

The directors are responsible 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the 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;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, 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.

The directors 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.

Dolby Medical Limited
Directors' report
For the year ended 31 March 2022

Events after the reporting period

In June 2022, it was announced that a binding share purchase agreement had been entered into for the sale of The Dental Directory Limited's shareholding in DD Group Holdings Ltd to Sun Cayman NIH VIII Phey Holdings, L.P. On 8 June 2022, the transaction was completed and three new companies were set up to facilitate the new capital structure – Phey Bidco Limited, Phey Holdco Limited, and Phey Topco Limited. Subsequently, Sun Cayman NIH VIII Phey Holdings, L.P. assigned its rights under the share purchase agreement to Phey Bidco Limited who subsequently purchased the entire issued share capital of DD Group Holdings Ltd on 8 June 2022.

Audit exemption

For the year ended 31 March 2022, the company was entitled to exemption from audit under section 479A of the Companies Act 2006 as DD Group Holdings Ltd (formerly H M Logistics Limited) has provided a guarantee over all of the outstanding liabilities of the company, in accordance with section 479C of the Companies Act 2006.

On behalf of the Board



B Goodger
Director

Date: 20-12-2022

Units 1-3
Block 5
Manor Farm Business
Park
Stirling
FK9 5QD

Dolby Medical Limited
Income statement
For the year ended 31 March 2022

	Note	2022 £	2021 £
Turnover	4	2,891,728	2,345,007
Cost of sales		<u>(1,381,609)</u>	<u>(1,057,198)</u>
Gross profit		<u>1,510,119</u>	<u>1,287,809</u>
Other operating income		-	68,880
Administrative expenses		<u>(1,038,567)</u>	<u>(1,073,818)</u>
Operating profit	5	471,522	282,871
Interest payable and similar expenses	8	<u>-</u>	<u>-</u>
Profit before tax		471,522	282,871
Tax on ordinary activities	9	<u>(1,054)</u>	<u>9,592</u>
Profit after tax for the year		470,498	292,463
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>470,498</u></u>	<u><u>292,463</u></u>

The above Income statement should be read in conjunction with the accompanying notes

Dolby Medical Limited
Balance sheet
As at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	10	238,466	264,690
Investments	11	<u>1</u>	<u>1</u>
Total fixed assets		<u>238,467</u>	<u>264,691</u>
Current assets			
Stocks	12	477,114	498,787
Debtors	13	694,496	814,792
Cash at bank and in hand		<u>1,006,297</u>	<u>591,860</u>
Total current assets		<u>2,177,907</u>	<u>1,905,439</u>
Current liabilities			
Creditors: amounts falling due within one year	14	<u>747,903</u>	<u>972,153</u>
Total current liabilities		<u>747,903</u>	<u>972,153</u>
Net current assets		<u>1,430,004</u>	<u>933,286</u>
Total assets less current liabilities		<u>1,668,471</u>	<u>1,197,973</u>
Net assets		<u>1,668,471</u>	<u>1,197,973</u>
Capital and reserves			
Called up share capital	15	300,000	300,000
Retained earnings	16	<u>1,368,471</u>	<u>897,973</u>
Total capital and reserves		<u>1,668,471</u>	<u>1,197,973</u>

The notes on pages 10 to 18 form an integral part of these financial statements.

- (a) For the financial year ended 31 March 2022 the company was entitled to exemption from audit under section 479A of the Companies Act 2006.
- (b) The member has not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- (c) The directors acknowledge their responsibility for:
 - i) ensuring the company keeps accounting records which comply with Section 386; and
 - ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit or loss for the financial year in accordance with the requirements of the Companies Act relating to accounts, so far as is applicable to the company.

Dolby Medical Limited's company number is SC436429.

These financial statements on pages 7 to 18 were approved by the board of directors on 20-12-2022 and were signed on its behalf by:



B Goodger
 Director

Date: 20-12-2022

The above Balance sheet should be read in conjunction with the accompanying notes

Dolby Medical Limited
Statement of changes in equity
For the year ended 31 March 2022

	Called up share capital £	Retained earnings £	Total capital and reserves £
Balance at 1 April 2020	300,000	605,510	905,510
Profit after tax on ordinary activities for the year	-	292,463	292,463
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	897,973	897,973
Balance at 31 March 2021	<u>300,000</u>	<u>897,973</u>	<u>1,197,973</u>

	Called up share capital £	Retained earnings £	Total capital and reserves £
Balance at 1 April 2021	300,000	897,973	1,197,973
Profit after tax on ordinary activities for the year	-	470,498	470,498
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	470,498	470,498
Balance at 31 March 2022	<u>300,000</u>	<u>1,368,471</u>	<u>1,668,471</u>

The above Statement of changes in equity should be read in conjunction with the accompanying notes

Dolby Medical Limited
Notes to the financial statements
For the year ended 31 March 2022

1. Company information

The financial statements cover Dolby Medical Limited as an individual entity. The financial statements are presented in Pound sterling, which is Dolby Medical Limited's functional and presentation currency.

The company is a private company limited by shares, incorporated in the United Kingdom and domiciled in Scotland. Its registered office is Units 1-3, Block 5 Manor Farm Business Park, Stirling, FK9 5QD.

The principal activity of the company is the supply of dental equipment and servicing to dental practices throughout Scotland.

The company is a member of the group of companies headed by DD Group Holdings Ltd ('the group'). The principal activities of the group are the provision of materials, services and equipment to dental practices.

2. Accounting policies

Basis of preparation

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ('FRS 102'), and with the Companies Act 2006.

These financial statements are prepared on a going concern basis, under the historical cost convention.

A summary of the more important accounting policies, which have been applied on a consistent basis, is set out below.

Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions which have been complied with, including notification of, and no objection to, the use of the exemptions by the company's shareholders.

The company has taken advantage of the following exemptions:

- from preparing a statement of cash flows, on the basis that it is a qualifying entity and that the company's cash flows are included within the consolidated cash flow statement for the group;
- from preparing a reconciliation of the number of shares outstanding at the beginning and end of the financial year;
- from disclosing the compensation paid to the company's key management personnel; and
- from disclosing related party transactions between wholly owned entities that are part of the Turnstone Equityco 1 Limited group of companies.

Turnover

Turnover represents the income received in the ordinary course of business, net of Value Added Tax, for the sale of equipment and servicing contracts to dental practices and to the wider healthcare sector, to the extent that the company has obtained the right to the consideration.

Accrued and deferred income

Where the group delivers their performance obligations for the supply of goods or services to customers in advance of invoices being raised, the group will recognise the un invoiced element and this is disclosed as accrued income.

Where the group receives an amount upfront in respect of future income streams, the value of the receipt is amortised over the period of the contract as the services are delivered and the unexpired element is disclosed as deferred income.

Other operating income

Due to the Covid-19 pandemic, the company took up the government grant schemes that were available to it in the year. Grants received are recognised in other operating income in the period for which claims are made.

Dolby Medical Limited
Notes to the financial statements
For the year ended 31 March 2022

2. Accounting policies (continued)

Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantially enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated. Deferred tax assets are only 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. If and when all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets and depreciation

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost of each asset less expected residual value over its expected useful life as follows:

Fittings and equipment	3-15 years
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Where the residual value of an asset is material it is reviewed at the end of each financial year, to ensure that it has been depreciated on an appropriate basis.

Investments

Investments held as fixed assets are stated at historic purchase cost less amounts written off for impairment.

Impairment of fixed assets

At each reporting date fixed assets, including tangible assets and investments are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated as the higher of its fair value less costs to sell or the value in use. This is then 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 the income statement.

If an impairment loss subsequently reverses, the carrying 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 the income statement.

Stocks

Stocks are stated at the lower of cost and net realisable value (net realisable value is the price at which stocks can be sold after allowing for costs of realisation). Goods for resale are valued at actual cost, including the value of any trade discounts received or transport and handling costs incurred. Provisions are made for obsolete, slow moving and defective stock.

Leases

Operating lease rentals are charged to the income statement on a straight line basis over the period of the lease.

Pensions

The company makes contributions to the National Employment Savings Trust ('NEST'), a defined contribution pension scheme, on behalf of its employees. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions are charged to the income statement in the period to which they relate.

Dolby Medical Limited
Notes to the financial statements
For the year ended 31 March 2022

2. Accounting policies (continued)

Financial instruments

Basic financial assets and liabilities, including trade and other receivables, trade and other payables, amounts owed to and by group undertakings and cash balances, in accordance with section 11 and 12 of FRS102 are initially recognised at transaction price, 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. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the income statement. If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the income statement.

3. Significant accounting judgements and estimates

In preparing the financial statements, the directors are required to make significant judgements and estimates. The principal areas of the financial statements where judgements and estimates have been made are:

Impairment of fixed assets

At each reporting date, fixed assets, including tangible assets and investments, are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. In determining whether there is an indication of impairment a number of judgemental factors must be considered, including an estimate of the future economic benefits that can be derived from the assets and current market conditions.

Income tax

The current income tax provision directly relates to the actual tax payable on the group's profits. Assumptions and judgements are made in applying tax laws to the taxable profits in any given period in order to calculate the tax charge for that year, including any deferred income tax element. Where the eventual tax paid or reclaimed is different to the amounts originally estimated, or where deferred tax estimates are revised, the difference will be charged or credited to the income statement in the period in which it is determined. See also note 9.

Useful economic lives of fixed assets

Fixed assets including tangible assets and investments are amortised over their useful economic lives. Useful lives are based on management's estimates of the period over which the assets will generate income. Useful lives are periodically reviewed for their continued appropriateness. Changes to estimates can result in changes in the carrying values and hence change the amounts charged to the income statement in particular periods which could be significant. More details, including carrying values, are included in note 10.

Carrying value of financial assets and liabilities

At the end of each reporting period, the directors assess the carrying value of financial assets for objective evidence of impairment. In addition, where financial assets or liabilities constitute a financing arrangement, the value of the asset or liability is measured by reference to the present value of the estimated future cash flows. Both of these estimates require the future cash flows arising from the financial assets or liabilities to be estimated and an appropriate discount rate to be selected.

4. Turnover

Turnover relates to the company's principal activity of the supply of dental equipment and servicing to dental practices throughout Scotland.

Dolby Medical Limited
Notes to the financial statements
For the year ended 31 March 2022

5. Operating profit

	2022 £	2021 £
Operating profit after charging/(crediting):		
Depreciation - owned assets	46,905	58,664
Furlough income	-	(68,880)

6. Employees

The average monthly number of persons employed by the company (excluding directors), during the financial year was made up as follows:

	2022	2021
Engineering	10	13
Sales and administration	32	31
Average number of employees	<u>42</u>	<u>44</u>

The aggregate payroll costs of these persons were as follows:

	2022 £	2021 £
Wages and salaries	661,051	772,775
Social security costs	65,525	99,832
Other pension costs	(53,780)	55,340
Total employee benefits expense	<u>672,796</u>	<u>927,947</u>

7. Directors' remuneration

The directors received no emoluments from the company for their services during the financial year (2021: £nil). The emoluments received as a director of a group trading company are disclosed in the financial statements of DD Products and Services Ltd (formerly Billericay Dental Supply Co. Limited) for GP Adams and B Goodger, and in the financial statements of Turnstone Equityco 1 Limited for T Riall.

8. Interest payable and similar expenses

	2022 £	2021 £
Bank interest paid	<u>-</u>	<u>-</u>

Dolby Medical Limited
Notes to the financial statements
For the year ended 31 March 2022

9. Tax

a) Analysis of tax charge/(credit) for the financial year

	2022 £	2021 £
Deferred tax		
Deferred tax credit for the year	-	(9,962)
Origination and reversal of timing differences	33,527	-
Adjustment relating to the prior year	(13,732)	370
Impact of change in tax rate	(18,741)	-
Total deferred tax credit for the year	<u>1,054</u>	<u>(9,592)</u>
Tax charge/(credit)	<u>1,054</u>	<u>(9,592)</u>

b) Factors affecting the tax credit for the financial year

The tax charge for the year is lower (2021: lower) than the standard rate of corporation tax in the UK for the year ended 31 March 2022 of 19% (2021: 19%). The differences are explained below:

	2022 £	2021 £
Profit before tax on ordinary activities	<u>471,552</u>	<u>282,871</u>
Tax at the statutory tax rate of 19%	89,595	53,796
Expenses not deductible for tax purposes	654	1,607
Difference in tax rate - capital allowances	3,291	(291)
Adjustment relating to the prior year	(13,732)	370
Impact of change in tax rate	(10,694)	-
Group relief claimed for nil consideration	<u>(68,060)</u>	<u>(65,024)</u>
Tax charge/(credit)	<u>1,054</u>	<u>(9,592)</u>

A reduction in the UK corporation tax rate from 19% to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020.

An increase in the UK corporation rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This will increase the company's future current tax charge accordingly. The deferred tax asset at 31 March 2022 has been calculated based on these rates, reflecting the expected timing of reversal of the related timing differences (2021: 19%).

Dolby Medical Limited
Notes to the financial statements
For the year ended 31 March 2022

10. Tangible assets

	Fittings and equipment £
Cost	
At 1 April 2021	618,317
Additions	<u>20,681</u>
At 31 March 2022	<u><u>638,998</u></u>
Accumulated depreciation	
At 1 April 2021	353,627
Charge for the year	<u>46,905</u>
At 31 March 2022	<u><u>400,532</u></u>
Net book value	
At 31 March 2022	<u><u>238,466</u></u>
At 31 March 2021	<u><u>264,690</u></u>

11. Investments

The company owns 100% of its immediate subsidiary undertaking, Dolby Medical EBT Trustee Limited. The cost and book value of its investment at 31 March 2022 is £1 (2021: £1). The registered office address of Dolby Medical EBT Trustee Limited is Units 1-3, Block 5, Manor Farm Business Park, Stirling, FK9 5QD.

In the opinion of the directors, the value of the company's investments in its subsidiaries is not less than the amount at which it is shown in the Balance sheet.

12. Stocks

	2022 £	2021 £
Goods for resale	<u>477,114</u>	<u>498,787</u>

13. Debtors

	2022 £	2021 £
Trade debtors	396,780	681,054
Amounts owed by group undertakings	211,987	68,757
Other debtors	11,580	-
Deferred tax	44,561	45,615
Prepayments and accrued income	<u>29,588</u>	<u>19,365</u>
	<u><u>694,496</u></u>	<u><u>814,792</u></u>

All the above balances are due within one year with the exception of deferred tax of £44,561 (2021: £45,615). Amounts owed by group undertakings are unsecured, are not subject to an interest charge and are repayable on demand. While the amounts owed by group undertakings are repayable on demand, it is not expected that they will be settled within 12 months.

Dolby Medical Limited
Notes to the financial statements
For the year ended 31 March 2022

13. Debtors (continued)

Deferred tax

The movement on deferred tax in the financial year is analysed as follows:

	Deferred tax £
At 1 April 2021	45,615
Capital allowances	-
Adjustment relating to the prior year	-
Deferred tax charged to the Income Statement	<u>(1,054)</u>
At 31 March 2022	<u><u>44,561</u></u>

The elements of deferred taxation are as follows:

	2022 £	2021 £
Capital allowances	<u>44,561</u>	<u>45,615</u>

14. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	25,694	445,319
Amounts owed to group undertakings	339,823	84,625
Other creditors	74,099	37,789
Other taxation and social security	40,724	41,171
Corporation tax	-	-
Accruals and deferred income	<u>267,563</u>	<u>363,249</u>
	<u><u>747,903</u></u>	<u><u>972,153</u></u>

Amounts owed to group undertakings are unsecured, are not subject to an interest charge and are repayable on demand. While the amounts owed to group undertakings are repayable on demand, it is not expected that they will be settled within 12 months.

15. Called up share capital

The allotted, called up and fully paid share capital is as follows:

	2022 No. of shares	2022 £	2021 No. of shares	2021 £
Ordinary shares of £1 each	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>

16. Retained earnings

Cumulative net gains and losses recognised in the company income statement or through equity.

Dolby Medical Limited
Notes to the financial statements
For the year ended 31 March 2022

17. Commitments

The company had the following future minimum lease payments under non-cancellable operating leases at the balance sheet date are as follows:

	2022 £	2021 £
Land and buildings		
Within one year	85,900	85,900
Between one and five years	343,600	343,600
More than five years	484,000	501,083
	<u>913,500</u>	<u>930,583</u>
Other		
Within one year	26,086	33,567
Between one and five years	29,596	31,703
	<u>55,682</u>	<u>65,269</u>
	<u><u>969,182</u></u>	<u><u>995,852</u></u>

18. Financial assets and liabilities

The company has the following financial instruments:

	2022 £	2021 £
Financial assets measured at amortised cost		
Trade debtors (note 13)	396,780	681,054
Amounts owed by group undertakings (note 13)	211,987	68,757
Other debtors (note 13)	11,580	-
	<u>620,347</u>	<u>749,811</u>

	2022 £	2021 £
Financial liabilities measured at amortised cost		
Trade creditors (note 14)	(25,694)	(445,319)
Amounts owed to group undertakings (note 14)	(339,823)	(84,625)
Other creditors (note 14)	(74,099)	(34,174)
Accruals (note 14)	(54,442)	(170,674)
	<u>(494,058)</u>	<u>(738,406)</u>

Dolby Medical Limited
Notes to the financial statements
For the year ended 31 March 2022

19. Controlling party

The immediate parent undertaking is DD Group Holdings Ltd (formerly H M Logistics Limited), incorporated in the United Kingdom.

DD Group Holdings Ltd is the parent undertaking of the smallest group to consolidate these financial statements. The consolidated financial statements of DD Group Holdings Ltd are publicly available and may be obtained from DD Group Holdings Ltd, 6 Perry Way, Witham, Essex, CM8 3SX, United Kingdom.

Turnstone Equityco 1 Limited is the parent undertaking of the largest group to consolidate these financial statements. The consolidated financial statements of Turnstone Equityco 1 Limited are publicly available and may be obtained from Turnstone Equityco 1 Limited, Europa House, Stoneclough Road, Kearsley, Manchester, M26 1GG.

At the 31 March 2022 date and up to 8 June 2022, the ultimate controlling party was considered by the directors to be ADP Primary Care Acquisitions Limited. From 8 June 2022, the ultimate controlling party in the UK is Phey Topco Limited. Phey Topco Limited is a private equity investment fund advised by an affiliate of Sun Capital Partners, Inc, 5200 Town Center Circle, 4th Floor, Boca Raton, Florida 33486, USA.

20. Events after the reporting period

On 8 June 2022, following the completion of the sale of The Dental Directory Limited's shareholding in DD Group Holdings Ltd to Sun Cayman NIH VIII Phey Holdings, L.P., the immediate parent undertaking of DD Group Holdings Ltd was Phey Bidco Limited. The ultimate parent company in the UK of Phey Bidco Limited is Phey Topco Limited. The ultimate controlling party of Phey Topco Limited is a private equity investment fund advised by an affiliate of Sun Capital Partners, Inc.