

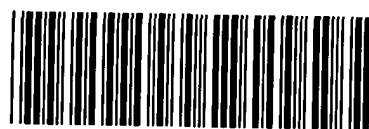
Registered number: 04261653

**DCS GROUP HOLDINGS LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

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**DCS GROUP HOLDINGS LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	D C Shortt OBE M J S Lorimer C P Shortt D A Shortt L R Shortt
<b>Company secretary</b>	J A Berry
<b>Registered number</b>	04261653
<b>Registered office</b>	Oceans House Noral Way Banbury OX16 2AA
<b>Independent auditor</b>	Crowe U.K. LLP Carrick House Lypiatt Road Cheltenham GL50 2QJ
<b>Bankers</b>	Barclays Bank plc PO Box 3333 1 Snow Hill Birmingham B4 6GN

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**DCS GROUP HOLDINGS LIMITED**

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## DCS GROUP HOLDINGS LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

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The directors present their report and the financial statements for the year ended 31 December 2019.

#### Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the company's financial statements and then apply them consistently;
- make judgments 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;
- 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 to 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.

#### Results and dividends

The profit for the year, after taxation, amounted to £1,186,000 (2018 - £492,000 ).

Dividends of £1,395,000 were paid during the year (2018 - £859,000).

#### Directors

The directors who served during the year were:

D C Shortt OBE  
M J S Lorimer  
C P Shortt  
D A Shortt  
L R Shortt

#### Future developments

Future developments are discussed within the Strategic report.

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**DCS GROUP HOLDINGS LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**Matters covered in the strategic report**

Under s414C(11), the strategic report contains a fair review of the business; the principal risks and uncertainties faced by the business; and the key financial and non-financial performance indicators as considered by the board of directors. This information is therefore excluded from the Directors' report.

**Disclosure of information to auditor**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

**Post balance sheet events**

There have been no significant events affecting the Company since the year end. In the light of the current climate in relation to the COVID-19 pandemic the Directors have reviewed the Company's finances which confirm that the Company has adequate funding available to continue in operational existence for the foreseeable future. The Directors believe there are no material uncertainties that call into doubt the Company's ability to continue as a going concern and the accounts have therefore been prepared on the basis that the Company is a going concern.

**Auditor**

The auditor, Crowe U.K. LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 18 September 2020 and signed on its behalf by:



**D C Shortt OBE**  
Director

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## DCS GROUP HOLDINGS LIMITED

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### STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

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#### Introduction

The directors present their Strategic report for the year ended 31 December 2019 for DCS Group Holdings Limited.

#### Business review

The company continues to own the property at Noral way, Banbury.

The company acted as a lessor to its subsidiary company, DCS Group (UK) Limited during the year. It is the directors' opinion that this arrangement will not change in the foreseeable future.

#### Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks.

Risks are formally reviewed by the board and appropriate processes put in place to monitor and mitigate them. If more than one event occurs, it is possible that the overall effect of such events would compound the possible adverse effects on the company. The principal business risks affecting the company are set out below.

Interest rate risk: the company is part funded via a loan secured on the freehold property owned by the company. Interest is payable on this loan, as disclosed in notes 15 and 16, is linked to the LIBOR rate. The directors monitor this to ensure cash flow demands are met for the repayment of the loan.

Property market: covenants attached to the loan consider the loan to value (LTV) ratio of the freehold property, to which it is secured upon. The directors monitor the general property market conditions and maintain correspondence with the bank to ensure LTV covenants are met.

#### Financial key performance indicators

The board monitors the progress on the overall company's strategy and the individual strategic elements by reference to the monthly management accounts.

Due to the nature of the business the directors have identified the net assets of the company to provide the most appropriate KPI.

The company had net assets at the year end of £3,155,000 (2018 - £3,364,000).

This report was approved by the board on 18 September 2020 and signed on its behalf by:



**D C Shortt OBE**  
Director

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**DCS GROUP HOLDINGS LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS, AS A BODY, OF DCS GROUP HOLDINGS LIMITED**

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**Opinion**

We have audited the financial statements of DCS Group Holdings Limited (the 'company') for the year ended 31 December 2019, set out on pages 7 to 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 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.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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## **DCS GROUP HOLDINGS LIMITED**

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### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS, AS A BODY, OF DCS GROUP HOLDINGS LIMITED (CONTINUED)**

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#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which 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.



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**DCS GROUP HOLDINGS LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS, AS A BODY, OF DCS GROUP HOLDINGS LIMITED (CONTINUED)**

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**Responsibilities of directors**

As explained more fully in the Directors' responsibilities statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's report.

**Use of our report**

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.



Chris Mould (Senior statutory auditor)

for and on behalf of  
**Crowe U.K. LLP**

Statutory Auditor

Carrick House  
Lypiatt Road  
Cheltenham  
GL50 2QJ

Date: 22 September 2020

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**DCS GROUP HOLDINGS LIMITED**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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	Note	2019 £	2018 £
Turnover	4	480	480
<b>Gross profit</b>		<b>480</b>	<b>480</b>
Administrative expenses		(342)	(294)
<b>Operating profit</b>	5	<b>138</b>	<b>186</b>
Income from shares in group undertakings		1,395	859
Interest payable and expenses	8	(235)	(269)
<b>Profit before tax</b>		<b>1,298</b>	<b>776</b>
Tax on profit	9	(112)	(284)
<b>Profit for the financial year</b>		<b>1,186</b>	<b>492</b>

There was no other comprehensive income for 2019 (2018:£NIL).

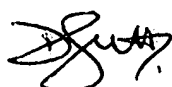
The notes on pages 10 to 20 form part of these financial statements.

**DCS GROUP HOLDINGS LIMITED**  
**REGISTERED NUMBER: 04261653**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	11	16,414	14,179
Investments	12	50	50
		<u>16,464</u>	<u>14,229</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	13	32	8
		<u>32</u>	<u>8</u>
Creditors: amounts falling due within one year	14	(4,640)	(3,188)
<b>Net current liabilities</b>		<u>(4,608)</u>	<u>(3,180)</u>
<b>Total assets less current liabilities</b>		<u>11,856</u>	<u>11,049</u>
Creditors: amounts falling due after more than one year	15	(8,204)	(7,287)
<b>Provisions for liabilities</b>			
Deferred tax	17	(497)	(398)
		<u>(497)</u>	<u>(398)</u>
<b>Net assets</b>		<u>3,155</u>	<u>3,364</u>
<b>Capital and reserves</b>			
Called up share capital	18	42	42
Capital redemption reserve	20	8	8
Profit and loss account	20	3,105	3,314
<b>Shareholders' funds</b>		<u>3,155</u>	<u>3,364</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18 September 2020



**D C Shortt OBE**  
Director

The notes on pages 10 to 20 form part of these financial statements.

**DCS GROUP HOLDINGS LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Share capital	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2019	42	8	3,314	3,364
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	1,186	1,186
<b>Other comprehensive income for the year</b>				
Dividends	-	-	(1,395)	(1,395)
<b>At 31 December 2019</b>	<b>42</b>	<b>8</b>	<b>3,105</b>	<b>3,155</b>

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Share capital	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2018	42	8	3,681	3,731
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	492	492
<b>Other comprehensive income for the year</b>				
Dividends	-	-	(859)	(859)
<b>At 31 December 2018</b>	<b>42</b>	<b>8</b>	<b>3,314</b>	<b>3,364</b>

The notes on pages 10 to 20 form part of these financial statements.

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## DCS GROUP HOLDINGS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 1. COMPANY INFORMATION

DCS Group Holdings Limited is a private company limited by shares, incorporated and domiciled in the UK. The address of its registered office is Oceans House, Noral Way, Banbury, OX16 2AA. The company is registered at Companies House England and Wales. Its registered number is 04261653.

#### 2. ACCOUNTING POLICIES

##### 2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The company is exempt, by virtue of Section 401 of the Companies Act 2006, from the requirement to prepare group financial statements. Results of the entity are included within the consolidated financial statements of DCS Inc Limited (see note 22).

The following principal accounting policies have been applied:

##### 2.2 REDUCED DISCLOSURE EXEMPTIONS FOR SUBSIDIARIES

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objections to, the use of exemptions by the company's shareholder and immediate parent (see note 22).

The company has taken advantage of the following exemptions:

No statement of cash flows has been presented, as the wholly owned subsidiary is included in the consolidated financial statements of the group.

Disclosures in respect of the company's financial instruments have not been presented as equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated.

Related party transactions have not been disclosed with other wholly owned members of the group.

##### 2.3 GOING CONCERN

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate liquid resources and banking facilities available to them to continue in operational existence for a period of no less than 12 months from the date of this report. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

##### 2.4 TURNOVER

Turnover comprises rental income earned by the company during the year, exclusive of Value Added Tax recognised on a straight line basis over the period to which it relates.

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## DCS GROUP HOLDINGS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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## 2. ACCOUNTING POLICIES (continued)

### 2.5 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.

Depreciation is provided on the following basis:

Freehold property	-	2%
Fixtures & fittings	-	10%
Office equipment	-	25%

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 the Statement of comprehensive income.

### 2.6 INVESTMENTS

Investments in subsidiaries are measured at cost less accumulated impairment.

### 2.7 DEBTORS

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

### 2.8 CREDITORS

Short term creditors are measured at the transaction price.

### 2.9 FINANCIAL INSTRUMENTS

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable.

Basic financial assets and liabilities that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received.

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**DCS GROUP HOLDINGS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**2. ACCOUNTING POLICIES (continued)**

**2.10 FINANCE COSTS**

Finance costs are charged to the Statement of comprehensive income 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.

**2.11 DIVIDENDS**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**2.12 CURRENT AND DEFERRED TAXATION**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, 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.

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DCS GROUP HOLDINGS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

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**3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The items in the financial statements where these estimates and judgements have been made include the following:

**3.1 USEFUL ECONOMIC LIVES OF TANGIBLE FIXED ASSETS**

The annual depreciation charge for the tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 11 for the carrying amount of the fixed assets and note 2.5 for the useful lives for each class of assets.

**4. TURNOVER**

An analysis of turnover by class of business is as follows:

	2019 £	2018 £
Rent receivable	480	480

All turnover arose within the United Kingdom.

**5. OPERATING PROFIT**

The operating profit is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets	331,000	277,000

During the year, no director received any emoluments (2018 - £NIL).



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**DCS GROUP HOLDINGS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**6. AUDITOR'S REMUNERATION**

	2019 £	2018 £
Fees payable to the company's auditor for the audit of the company's annual accounts	<u>3,000</u>	<u>3,000</u>

The company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent company.

**7. EMPLOYEES**

The company has no employees other than the directors, who did not receive any remuneration (2018 - £NIL).

**8. INTEREST PAYABLE AND SIMILAR CHARGES**

	2019 £	2018 £
Bank interest payable	<u>235</u>	<u>269</u>

**9. Taxation**

	2019 £	2018 £
<b>Corporation tax</b>		
Current tax on profits for the year	<u>13</u>	<u>13</u>
	<u>13</u>	<u>13</u>
<b>Total current tax</b>	<u>13</u>	<u>13</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	<u>99</u>	<u>271</u>
<b>Total deferred tax</b>	<u>99</u>	<u>271</u>
<b>Taxation on profit on ordinary activities</b>	<u>112</u>	<u>284</u>

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DCS GROUP HOLDINGS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

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9. Taxation (continued)

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2018 - *higher than*) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Profit on ordinary activities before tax	1,298	776
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	247	147
<b>Effects of:</b>		
Dividends from UK companies	(265)	(165)
Fixed asset timing differences	38	302
Other tax adjustments, reliefs and transfers	45	-
Adjust opening deferred tax to average rate of 19%	47	-
<b>Total tax charge for the year</b>	<b>112</b>	<b>284</b>

**Factors that may affect future tax charges**

There were no factors that may affect future tax charges.

10. DIVIDENDS

	2019 £	2018 £
Dividends paid on equity capital	1,395	859

**DCS GROUP HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**11. Tangible fixed assets**

	Freehold property £	Fixtures & fittings £	Office equipment £	Total £
<b>Cost or valuation</b>				
At 1 January 2019	13,570	874	92	14,536
Additions	590	72	-	662
Transfers intra group	1,729	175	-	1,904
At 31 December 2019	<u>15,889</u>	<u>1,121</u>	<u>92</u>	<u>17,102</u>
<b>Depreciation</b>				
At 1 January 2019	247	87	23	357
Charge for the year on owned assets	203	105	23	331
At 31 December 2019	<u>450</u>	<u>192</u>	<u>46</u>	<u>688</u>
<b>Net book value</b>				
At 31 December 2019	<u>15,439</u>	<u>929</u>	<u>46</u>	<u>16,414</u>
At 31 December 2018	<u>13,323</u>	<u>787</u>	<u>69</u>	<u>14,179</u>

The net book value of land and buildings may be further analysed as follows:

	2019 £	2018 £
Freehold Property	<u>15,439</u>	<u>13,323</u>

DCS Group Holdings Limited acts as a lessor for its subsidiary company. The opening cost of freehold property is held for use in operating leases and it is estimated that around £4.7m in relation to the property held at Noral Way relates to land and is not depreciated.

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**DCS GROUP HOLDINGS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**12. INVESTMENTS**

**Investments  
in  
subsidiary  
companies  
£**

**Cost or valuation**

At 1 January 2019

**50**

At 31 December 2019

**50**

**Subsidiary undertaking**

The following was a subsidiary of the company:

<b>Name</b>	<b>Registered office</b>	<b>Class of shares</b>	<b>Holding</b>
DCS Group (UK) Limited	Oceans House, Noral Way Banbury, OX16 2AA	Ordinary	100%

**13. DEBTORS**

**2019  
£**

**2018  
£**

Trade debtors

**-**

**8**

Other debtors

**18**

**-**

Prepayments and accrued income

**14**

**-**

**32**

**8**

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DCS GROUP HOLDINGS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

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14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Bank overdrafts	9	-
Bank loans	620	620
Amounts owed to group undertakings	3,829	2,366
Corporation tax	25	46
Other taxation and social security	96	96
Accruals and deferred income	61	60
	<u>4,640</u>	<u>3,188</u>

The bank loans are secured by a legal charge over the properties owned by the company at 1 Timothy's Bridge Road, Stratford Enterprise Park, Stratford-Upon-Avon, Warwickshire and at Noral Way, Banbury, Oxfordshire.

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019 £	2018 £
Bank loans	<u>8,204</u>	<u>7,287</u>

**Other security**

There also exists a cross guarantee between the group companies, details of which can be found in note 21.

16. LOANS

Analysis of the maturity of loans is given below:

	2019 £	2018 £
<b>Amounts falling due within one year</b>		
Bank loans	620	620
<b>Amounts falling due 2-5 years</b>		
Bank loans	<u>8,204</u>	<u>7,287</u>

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**DCS GROUP HOLDINGS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**17. DEFERRED TAXATION**

	<b>2019 £</b>
At 1 January 2019	<b>398</b>
Charged to the profit or loss	<b>99</b>
<b>At 31 December 2019</b>	<b>497</b>

The provision for deferred taxation is made up as follows:

	<b>2019 £</b>	<b>2018 £</b>
Accelerated capital allowances	<b>496</b>	<b>398</b>

**18. SHARE CAPITAL**

	<b>2019 £</b>	<b>2018 £</b>
<b>Allotted, called up and fully paid</b>		
415,000 (2018 - 415,000) Ordinary shares of £0.10 each	<b>41,500</b>	<b>41,500</b>

**19. RELATED PARTY TRANSACTIONS**

The company has taken advantage of the exemption available under FRS 102 section 33.1A from disclosing transactions with entities that are wholly owned within the group.

**20. RESERVES**

**Capital redemption reserve**

Includes all current and prior year transfers relating to the redemption or purchase of the company's shares.

**Profit & loss account**

Includes all current and prior year retained profits and losses.

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**DCS GROUP HOLDINGS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**21. CONTINGENT LIABILITIES**

The company is party to a cross guarantee given to the group's bankers and as such there is a contingent liability at the balance sheet date for the bank borrowing of all group undertakings. At 31 December 2019 this amounted to £7m (2018 - £8m).

**22. Post balance sheet events**

There have been no significant events affecting the Company since the year end. In the light of the current climate in relation to the COVID-19 pandemic the Directors have reviewed the Company's finances which confirm that the Company has adequate funding available to continue in operational existence for the foreseeable future. The Directors believe there are no material uncertainties that call into doubt the Company's ability to continue as a going concern and the accounts have therefore been prepared on the basis that the Company is a going concern.

**23. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The parent undertaking of the smallest and largest group for which consolidated financial statements are prepared is DCS Inc Limited. A copy of this company's consolidated financial statements is available from Companies House, Cardiff.

The ultimate party is deemed to be D C Shortt, by virtue of his beneficial shareholding in the ultimate parent company.