
DBE Services Limited

**Directors' report and financial
statements**

Registered number 5531123

31 December 2016

THURSDAY



A23 *A649LNCR* #360
13/04/2017
COMPANIES HOUSE

CONTENTS

| | |
|---|---|
| Company information | 1 |
| Directors' report | 2 |
| Statement of directors' responsibilities in respect of the Directors' Report and the financial statements | 4 |
| Profit and loss account | 5 |
| Balance sheet | 6 |
| Notes | 7 |

Company information

for the year ended 31 December 2016

| | |
|--------------------------|--|
| Number | 5531123 |
| Current Directors | <p>The Right Reverend Paul John Ferguson</p> <p>The Right Reverend Richard Blackburn</p> <p>The Right Reverend Mark Davies</p> <p>The Venerable Michael Everitt</p> <p>Mr Michael Mill</p> <p>Canon Dr Jonathan Richardson (resigned 11 July 2016)</p> <p>The Venerable Kevin Roberts (resigned 17 April 2016)</p> <p>The Right Reverend Keith Sinclair</p> <p>Canon Maurice Smith</p> <p>Canon Jeffrey Turnbull</p> <p>The Right Reverend Libby Lane (Appointed 28 January 2016)</p> <p>Mr Stephen Whittaker (Appointed 01 March 2016)</p> <p>Revd Richard Peers (Appointed 01 October 2016)</p> <p>Mr Andrew Smith (Appointed 13 October 2016)</p> <p>Revd Andrew Towner (Appointed 20 March 2017)</p> |
| Company Secretary | Revd Canon Peter James Ballard |
| Registered Office | <p>Blackburn Diocesan Offices</p> <p>Clayton House</p> <p>Walker Office Park</p> <p>Blackburn</p> <p>BB1 2QE</p> |
| Bankers | <p>National Westminster Bank plc</p> <p>35 King William Street</p> <p>Blackburn</p> <p>BB1 7DL</p> |

Directors' report

Directors and directors' interests

The directors present their report and financial statements for the year ended 31 December 2016.

Principal activity

The principal activity of the company is to carry on business as a general commercial company and in particular to provide various services to schools including but not exclusively inspections, teaching and curriculum support, administrative services, building, equipment and construction support and insurance. The company is wholly owned by the Blackburn Diocesan Board of Education, Carlisle Diocesan Board of Finance, Chester Diocesan Board of Education, Liverpool Diocesan Board of Finance, Manchester Diocesan Board of Education and York Diocesan Board of Finance, all registered charities. Ownership is explained more fully in note 9.

Business review and future developments

The results for the year to 31 December 2016 and financial position of the company are shown in the attached financial statements.

The company operates from each of the diocesan offices.

The company recorded an operating profit for the year of £307,643 (2015: 277,342). Gift aid distribution made in the year from the profit for the financial year of £249,205 (2015: 206,699) was paid to the charities and a further £65,349 has been committed to be distributed to the same charities from profit for 2016. The loss for the year is £5,117.

Directors

The directors of the company during the year were as follows:

The Venerable Michael Everitt

The Right Reverend Richard Blackburn

The Right Reverend Mark Davies

The Right Reverend Paul John Ferguson

Mr Michael Mill

Canon Dr Jonathan Richardson

Venerable Kevin Roberts

The Right Reverend Keith Sinclair

Canon Maurice Smith

Canon Jeffrey Turnbull

Rt Revd Libby Lane

Mr Stephen Whittaker

Revd Richard Peers

Mr Andrew Smith

None of the directors held interests in the shares of the company during the year.

Directors Report (continued)

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

By order of the board



The Rt Revd Paul Ferguson
Director

Clayton House
Walker Office Park
Blackburn
BB1 2QE

29 March 2017

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Profit and loss account
for the year ended 31 December 2016

| | <i>Note</i> | 2016 £ | 2016 £ | 2015 £ | 2015 £ |
|---|-------------|------------------|------------------|------------------|------------------|
| Turnover | 3 | | 1,609,609 | | 1,684,823 |
| Cost of sales | | | (1,128,820) | | (1,202,338) |
| | | | <hr/> | | <hr/> |
| Gross profit | | | 480,789 | | 482,485 |
| Administrative expenses | | | (173,146) | | (205,143) |
| | | | <hr/> | | <hr/> |
| Operating profit | | | 307,643 | | 277,342 |
| Interest receivable and similar income | | 1,794 | | 618 | |
| | | <hr/> | | <hr/> | |
| | | | 1,794 | | 618 |
| | | | <hr/> | | <hr/> |
| Profit on ordinary activities before taxation | 2 | | 309,437 | | 277,960 |
| Tax on profit on ordinary activities | | | - | | - |
| | | | <hr/> | | <hr/> |
| Retained profit/(loss) for the financial year before gift aid distribution | | | 309,437 | | 277,960 |
| Gift Aid distribution current year | 9 | | (314,554) | | (272,509) |
| Gift Aid prior year over distribution | | | | | - |
| | | | <hr/> | | <hr/> |
| Retained profit/(loss) for the financial year after gift aid distribution | | | (5,117) | | 5,451 |
| | | | <hr/> | | <hr/> |

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

All of the activities of the company are classed as continuing.

The notes on pages 7 to 11 form part of these financial statements

Balance sheet
at 31 December 2016

| | <i>Note</i> | 2016 £ | 2016 £ | 2015 £ | 2015 £ |
|---|-------------|------------------|------------------|------------------|------------------|
| Fixed assets | | | | | |
| Tangible fixed assets | 6 | | 24,740 | | 29,351 |
| Current assets | | | | | |
| Debtors | 7 | 252,591 | | 227,927 | |
| Cash at bank | | 487,967 | | 528,484 | |
| | | <u>740,558</u> | | <u>756,411</u> | |
| Creditors: amounts falling due within one year | 8 | (742,030) | | (757,377) | |
| | | <u></u> | | <u></u> | |
| Net current liabilities | | | (1,472) | | (966) |
| | | | <u></u> | | <u></u> |
| Net liabilities | | | 23,268 | | 28,385 |
| | | | <u></u> | | <u></u> |
| Capital and reserves | | | | | |
| Called up equity share capital | 10 | | 72 | | 72 |
| Share Premium | | | 1,988 | | 1,988 |
| Profit and loss account | | | 21,208 | | 26,325 |
| | | | <u></u> | | <u></u> |
| Shareholders' funds | 11 | | 23,268 | | 28,385 |
| | | | <u></u> | | <u></u> |

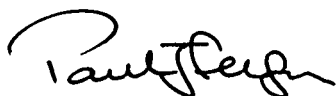
These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

For the year ended 31 December 2016 the company was entitled to exemption under section 477 of the Companies Act 2006. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

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 its profit and loss for the financial year in accordance with section 393, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

These financial statements were approved by the board of directors on 29 March 2017 and were signed on its behalf by:



The Rt Revd Paul Ferguson

Director

Registered Number: 5531123

Notes

(forming part of the financial statements)

1 Accounting policies

Basis of accounting

DBE Services Limited (the "Company") is a company limited by shares and incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling.

In the transition to FRS 102 from old UK GAAP, the Company has made no measurement and recognition adjustments.

The accounts have been prepared on the going concern basis. The profits of the company are distributed to the charity shareholders who will ensure there are sufficient funds in the company for it to continue on the going concern basis.

Fixed assets and depreciation

Depreciation is provided by the company to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

| | | |
|--------------------------------|---|---------------|
| Computers and office equipment | - | 25% per annum |
|--------------------------------|---|---------------|

Cash flow statement

The company has taken advantage of the exemption from preparing a cash flow statement conferred by FRS102 on the grounds that it is entitled to the exemptions available in sections 415A of the Companies Act 2006 for small companies.

Related party transactions

The major shareholders of the company each exercising control over 16.67% of the voting rights of the reporting entity are the Blackburn Diocesan Board of Education (charity No 557954), Carlisle Diocesan Board of Finance (charity No 251977), Chester Diocesan Board of Education (charity No 525790), Liverpool Diocesan Board of Finance (charity No 249740), Manchester Diocesan Board of Education (charity No 530002) and York Diocesan Board of Finance (charity No 244976). Details of the transactions are disclosed in note No 7

Employee benefits

The company contributes either to the employees' personal pension plan or into a group defined contribution plan. The company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

Turnover

Turnover represents the income from services provided during the year exclusive of any applicable Value Added Tax. All turnover arises in the United Kingdom.

Turnover in relation to long-term service contract and contracts falling into different accounting periods is recognised according to the stage of completion of the contract or in proportion of the costs incurred, where this provides evidence of the extent to which a right of consideration has been obtained.

Notes (continued)

Taxation

There is no charge for taxation in the year as taxable profits are disbursed by means of gift aid distribution to the major shareholders. There is no deferred taxation.

2 Operating profit

Operating profit is stated after charging:

| | 2016 £ | 2015 £ |
|--------------|-----------|-----------|
| Depreciation | 6,871 | 7,384 |

3 Turnover

| | 2016 £ | 2015 £ |
|-----------------------|------------------|------------------|
| Rendering of services | 1,609,609 | 1,684,823 |
| | 2016 £ | 2016 £ |
| Property Management | 1,432,763 | 1,460,235 |
| Consultancy | 176,846 | 224,588 |
| | 1,609,609 | 1,684,823 |

4 Staff costs

The average number of full time equivalent persons employed by the company during the year, analysed by category, is listed below. Further staff time is invoiced from the majority shareholders. Remuneration paid to directors amounted to £nil (2015: £nil).

| | Number of employees 2016 | 2015 |
|---------------------------|-----------------------------|------|
| Chief Executive | 1 | 1 |
| Total Property Management | 5 | 5 |
| | 6 | 6 |

None of the above employees received emoluments exceeding £60,000 in the year (2015: none).

5 Pension schemes

DBE Services Ltd contributed to personal pension schemes and a defined contribution scheme of the employees. The pension cost charge for the year represents contributions by DBE Services Ltd and amounted to £43,079 (2015: £36,411)

Notes (continued)

6 Tangible fixed assets

| | Office equipment £ | Total £ |
|-----------------------|--------------------------|---------------|
| <i>Cost</i> | | |
| At beginning of year | 50,208 | 50,208 |
| Additions | 2,260 | 2,260 |
| Disposals | - | - |
| At end of year | <u>52,468</u> | <u>52,468</u> |
| <i>Depreciation</i> | | |
| At beginning of year | 20,857 | 20,857 |
| Charge for year | 6,871 | 6,871 |
| Disposals | | |
| At end of year | <u>27,728</u> | <u>27,728</u> |
| <i>Net book value</i> | | |
| At 31 December 2016 | <u>24,740</u> | <u>24,740</u> |
| At 31 December 2015 | <u>29,351</u> | <u>29,351</u> |

7 Debtors

| | 2016 £ | 2015 £ |
|---|----------------|----------------|
| Trade Debtors | 222,967 | 168,967 |
| Prepayments & accrued income | 4,665 | 26,366 |
| Amounts due from HM Revenue and Customs | 24,959 | 32,594 |
| | <u>252,591</u> | <u>227,927</u> |

All debtors are due within 1 year.

8 Creditors: amounts falling due within one year

| | 2016 £ | 2015 £ |
|---------------------------------------|----------------|----------------|
| Trade creditors | 102,164 | 37,846 |
| Amounts owed to related parties | 1,394 | 2,400 |
| Accruals and deferred income | 570,589 | 648,921 |
| Committed Gift Aid Distributions | 65,349 | 65,810 |
| Amounts due to HM Revenue and Customs | 2,534 | 2,400 |
| | <u>742,030</u> | <u>757,377</u> |

Notes (continued)

9 Related Party Transactions

The major shareholders of the company each exercising control of 16.67% of the voting rights of the reporting entity are the Blackburn Diocesan Board of Education, Carlisle Diocesan Board of Finance, Chester Diocesan Board of Education, Liverpool Diocesan Board of Finance, Manchester Diocesan Board of Education and York Diocesan Board of Finance.

At 31 December 2016 an amount of £1,394 (2015: £2,400) was owed to Blackburn Diocesan Board of Education.

| Major Shareholders | No of Shares | Committed Gift Aid Distribution 2015 | Gift Aid Distributions 2016 | Cost of Services (ex VAT) |
|--|-----------------|--|-----------------------------------|------------------------------|
| Blackburn Diocesan Board of Education | 12 | 20,321 | 62,699 | 2,000 |
| Carlisle Diocesan Board of Finance | 12 | 2,739 | 13,726 | 2,000 |
| Chester Diocesan Board of Education | 12 | 9,878 | 32,166 | 2,000 |
| Liverpool Diocesan Board of Finance | 12 | 11,131 | 61,305 | - |
| Manchester Diocesan Board of Education | 12 | 18,694 | 38,100 | - |
| York Diocesan Board of Finance | 12 | 3,047 | 41,209 | - |
| Committed Gift Aid Distribution 2016 | | - | 65,349 | - |
| | | | | |
| | 72 | 65,810 | 314,554 | 6,000 |

10 Called up share capital

| | 2016 | | 2015 | |
|--|---------------------|-----|---------------------|-----|
| | Number of shares | £ | Number of shares | £ |
| Authorised share capital | | | | |
| Equity shares | | | | |
| Ordinary shares of £1 each | 100 | 100 | 100 | 100 |
| | | | | |
| Allotted, called and fully paid | | | | |
| Equity shares | | | | |
| Ordinary shares of £1 each | 72 | 72 | 72 | 72 |

Notes *(continued)*

11 Reconciliation of movement in shareholder's funds

| | 2016 £ | 2015 £ |
|---|------------------|------------------|
| Opening shareholder's funds | 28,385 | 22,934 |
| Increase in share capital during the year | - | - |
| Profit for the financial year | (5,117) | 5,451 |
| | <hr/> | <hr/> |
| Closing shareholder's funds | 23,268 | 28,385 |
| | <hr/> <hr/> | <hr/> <hr/> |