

DBE Services Limited

**Directors' report and financial
statements**

Registered number 5531123

31 December 2018



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Company information

for the year ended 31 December 2018

Number	5531123
Current Directors	<div><div>The Right Reverend Paul John Ferguson</div><div>The Right Reverend Richard Blackburn (Resigned 30 April 2018)</div><div>The Right Reverend Mark Davies</div><div>The Venerable Michael Everitt</div><div>Mr Michael Mill</div><div>Canon Maurice Smith</div><div>The Right Reverend Libby Lane</div><div>Canon Stephen Whittaker</div><div>Revd Richard Peers</div><div>Mr Andrew Smith</div><div>Revd Andrew Towner</div><div>Mr Chris Penn</div><div>Canon Geoffrey Almond (Appointed 17 December 2018)</div></div>
Company Secretary	Revd Canon Peter James Ballard
Registered Office	Blackburn Diocesan Offices Clayton House Walker Office Park Blackburn BB1 2QE
Bankers	National Westminster Bank plc 35 King William Street Blackburn BB1 7DL

Directors' report

Directors and directors' interests

The directors present their report and financial statements for the year ended 31 December 2018.

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 2018 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 £235,478 (2017: 270,279). Gift aid distribution made in the year from the profit for the financial year of £202,417 (2017: 241,896) was paid to the charities. The profit for the year is £33,100.

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 Maurice Smith

Rt Revd Libby Lane

Canon Stephen Whittaker

Revd Richard Peers

Mr Andrew Smith

Revd Andrew Towner

Mr Chris Penn

Canon Geoffrey Almond

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

A handwritten signature in black ink, appearing to read 'Paul Ferguson', written in a cursive style.

The Rt Revd Paul Ferguson
Director

Clayton House
Walker Office Park
Blackburn
BB1 2QE

26 March 2019

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 2018

	<i>Note</i>	2018 £	2018 £	2017 £	2017 £
Turnover	3		1,663,427		1,660,617
Cost of sales			(1,252,438)		(1,222,661)
			<hr/>		<hr/>
Gross profit			410,989		437,956
Administrative expenses			(175,511)		(167,677)
			<hr/>		<hr/>
Operating profit			235,478		270,279
Interest receivable and similar income		39		37	
		<hr/>		<hr/>	
			39		37
			<hr/>		<hr/>
Profit on ordinary activities before taxation	2		235,517		270,316
Tax on profit on ordinary activities			-		-
			<hr/>		<hr/>
Retained profit/(loss) for the financial year before gift aid distribution			235,517		270,316
			<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 8 to 12 form part of these financial statements

Balance sheet
at 31 December 2018

	<i>Note</i>	2018 £	2018 £	2017 £	2017 £
Fixed assets					
Tangible fixed assets	6		10,768		16,005
Current assets					
Debtors	7	231,137		187,033	
Cash at bank		544,728		479,812	
		<u>775,865</u>		<u>666,845</u>	
Creditors: amounts falling due within one year	8	<u>(739,313)</u>		<u>(668,630)</u>	
Net current liabilities			36,552		(1,785)
Net liabilities			<u>47,320</u>		<u>14,220</u>
Capital and reserves					
Called up equity share capital	10		72		72
Share Premium			1,988		1,988
Profit and loss account			45,260		12,160
Shareholders' funds	11		<u>47,320</u>		<u>14,220</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 2018 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 26 March 2019 and were signed on its behalf by:



The Rt Revd Paul Ferguson

Director

Registered Number: 5531123

Statement of Changes in Equity

At 31 December 2017

	Called up ordinary share capital	Share premium	Profit and loss account	Total
	£	£	£	£
Balance at 1 January 2017	72	1,988	21,208	23,268
Retained profit/(loss) for the financial year	-	-	270,316	270,316
Gift aid distribution paid in the period	-	-	(279,364)	(279,364)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 December 2017	72	1,988	12,160	14,220
	<hr/>	<hr/>	<hr/>	<hr/>

At 31 December 2018

	Called up ordinary share capital	Share premium	Profit and loss account	Total
	£		£	£
Balance at 1 January 2018	72	1,988	12,160	14,220
Retained profit/(loss) for the financial year	-	-	235,517	235,517
Gift aid distribution paid in the period	-	-	(202,417)	(202,417)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 December 2018	72	1,988	45,260	47,320
	<hr/>	<hr/>	<hr/>	<hr/>

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.

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The 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
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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:

	2018 £	2017 £
Depreciation	7,212	8,869
	<u>7,212</u>	<u>8,869</u>

3 Turnover

	2018 £	2017 £
Rendering of services	1,663,427	1,660,617
	<u>1,663,427</u>	<u>1,660,617</u>
	2018 £	2017 £
Property Management	1,512,055	1,498,944
Consultancy	151,372	161,673
	<u>1,663,427</u>	<u>1,660,617</u>

4 Staff costs

The average number of employees 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 (2017: £nil).

	Number of employees 2018	2017
Chief Executive	1	1
Total Property Management	5	5
	<u>6</u>	<u>6</u>

None of the above employees received emoluments exceeding £60,000 in the year (2017: 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 £44,948 (2017: £43,050)

Notes (continued)

6 Tangible fixed assets

	Office equipment £	Total £
<i>Cost</i>		
At beginning of year	52,602	52,602
Additions	1,975	1,975
Disposals	-	-
At end of year	<u>54,577</u>	<u>54,577</u>
<i>Depreciation</i>		
At beginning of year	36,597	36,597
Charge for year	7,212	7,212
Disposals	-	-
At end of year	<u>43,809</u>	<u>43,809</u>
<i>Net book value</i>		
At 31 December 2018	<u>10,768</u>	<u>10,768</u>
At 31 December 2017	<u>16,005</u>	<u>16,005</u>

7 Debtors

	2018 £	2017 £
Trade Debtors	178,266	168,559
Prepayments & accrued income	26,258	733
Amounts due from HM Revenue and Customs	18,692	17,741
Amounts due from related parties	7,921	-
	<u>231,137</u>	<u>187,033</u>

All debtors are due within 1 year.

8 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	110,934	100,788
Amounts owed to related parties	2,000	5,038
Accruals and deferred income	623,398	522,383
Committed Gift Aid Distributions	-	37,463
Amounts due to HM Revenue and Customs	2,981	2,958
	<u>739,313</u>	<u>668,630</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 2018 an amount of £nil (2017: £5,038) was owed to Blackburn Diocesan Board of Education and £2,000 (2017: £nil) was owed to Liverpool Diocesan Board of Finance.

Major Shareholders	No of Shares	Committed Gift Aid Distribution 2017	Gift Aid Distributions 2018	Cost of Services (ex VAT)
Blackburn Diocesan Board of Education	12	9,586	60,850	2,000
Carlisle Diocesan Board of Finance	12	1,180	5,381	-
Chester Diocesan Board of Education	12	4,967	35,279	2,000
Liverpool Diocesan Board of Finance	12	9,240	42,887	2,000
Manchester Diocesan Board of Education	12	6,516	36,308	-
York Diocesan Board of Finance	12	5,979	21,712	-
	<u>72</u>	<u>37,468</u>	<u>202,417</u>	<u>6,000</u>

The directors are committed to making gift aid distributions of all distributable profits. At 31 December 2018 £38,706 was still available for distribution and will be paid to the shareholders within nine months of the year end.

10 Called up share capital

	2018		2017	
	Number of shares	£	Number of shares	£
Authorised share capital				
Equity shares				
Ordinary shares of £1 each	100	100	100	100
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Allotted, called and fully paid				
Equity shares				
Ordinary shares of £1 each	72	72	72	72
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Notes *(continued)*

11 Reconciliation of movement in shareholder's funds

	2018 £	2017 £
Opening shareholder's funds	14,220	23,268
Increase in share capital during the year	-	-
Profit/(loss) for the financial year	33,100	(9048)
Closing shareholder's funds	<u>47,320</u>	<u>14,220</u>