

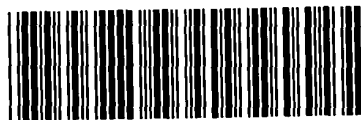
Company registration number: 06448606

Dilax Systems UK Limited

Filleted financial statements

31 December 2017

WEDNESDAY



A73MIAHV

A29

11/04/2018

#13

COMPANIES HOUSE

Dilax Systems UK Limited

Contents

	Page
Directors and other information	1
Directors responsibilities statement	2
Statement of financial position	3 - 4
Statement of changes in equity	5
Notes to the financial statements	6 - 11

Dilax Systems UK Limited

Directors and other information

Directors	Dr Jutta Marx Mr Robert Selle Mr Neil Craig Harrison	(Appointed 9 June 2017) (Resigned 26 May 2017)
Secretary	Squire Patton Boggs Secretarial Services Limited	
Company number	06448606	
Registered office	7 Devonshire Square Cutlers Gardens London EC2M 4YH	
Business address	Unit 1, Rankin House Knowhill Business Parc Roebuck Way Milton Keynes MK5 8HL	
Auditor	Reza Samii ACA 5 Calico Row Plantation Wharf Battersea London SW11 3YH	
Bankers	HSBC Bank Plc Harry Weston Road Binley Coventry CV3 2SH	

Dilax Systems UK Limited

**Directors responsibilities statement
Year ended 31 December 2017**

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 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 judgments and accounting estimates that are reasonable and prudent; 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 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.

Dilax Systems UK Limited

**Statement of financial position
31 December 2017**

	Note	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	5	<u>5,137</u>		<u>24,911</u>	
			5,137		24,911
Current assets					
Stocks		-		302,265	
Debtors	6	79,043		443,749	
Cash at bank and in hand		<u>148,918</u>		<u>101,570</u>	
		227,961		847,584	
Creditors: amounts falling due within one year	7	<u>(356,973)</u>		<u>(1,826,441)</u>	
Net current liabilities			(129,012)		(978,857)
Total assets less current liabilities			(123,875)		(953,946)
Creditors: amounts falling due after more than one year	8		(1,201,625)		(7,585)
Net liabilities			<u>(1,325,500)</u>		<u>(961,531)</u>
Capital and reserves					
Called up share capital			50,000		50,000
Capital reserves			149,109		149,109
Profit and loss account			<u>(1,524,609)</u>		<u>(1,160,640)</u>
Shareholders deficit			<u>(1,325,500)</u>		<u>(961,531)</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

The notes on pages 6 to 11 form part of these financial statements.

Dilax Systems UK Limited

Statement of financial position (continued)
31 December 2017

These financial statements were approved by the board of directors and authorised for issue on 20 March 2018, and are signed on behalf of the board by:

A handwritten signature in black ink, appearing to be 'R. Selle', written in a cursive style.

Mr Robert Selle
Director

The notes on pages 6 to 11 form part of these financial statements.

Dilax Systems UK Limited

**Statement of changes in equity
Year ended 31 December 2017**

	Called up share capital £	Capital reserves £	Profit and loss account £	Total £
At 1 January 2016	50,000	149,109	(502,064)	(302,955)
Loss for the year			(658,576)	(658,576)
Total comprehensive income for the year	-	-	(658,576)	(658,576)
At 31 December 2016 and 1 January 2017	50,000	149,109	(1,160,640)	(961,531)
Loss for the year			(363,969)	(363,969)
Total comprehensive income for the year	-	-	(363,969)	(363,969)
At 31 December 2017	50,000	149,109	(1,524,609)	(1,325,500)

Dilax Systems UK Limited

Notes to the financial statements Year ended 31 December 2017

1. General information

The company is a private company limited by shares, registered in UK. The address of the registered office is Dilax Systems UK Limited, 7 Devonshire Square, Cutlers Gardens, London, EC2M 4YH.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

Financial Statements have been prepared on going concern basis as the group undertaking (holding company) who is the major creditor falling due within one year, has confirmed its willingness, until sufficient income is generated by the company, to continue with its existing level of financial support to enable the company to operate as a going concern.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer, usually on despatch of the goods; the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured 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.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Dilax Systems UK Limited

Notes to the financial statements (continued) **Year ended 31 December 2017**

Tangible assets

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Computer equipment	- 33%	straight line
Fittings fixtures and equipment	- 33%	straight line
Leasehold improvements	-	over the term of the lease (3 years lease from 09.10.2015)

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition.

Dilax Systems UK Limited

Notes to the financial statements (continued) Year ended 31 December 2017

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in profit or loss in the period in which it arises.

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance Sheet date and carried forward to the future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Balance Sheet date.

Dilax Systems UK Limited

Notes to the financial statements (continued)
Year ended 31 December 2017

4. Auditors remuneration

	2017	2016
	£	£
Fees payable to Reza Samii ACA		
Fees payable for the audit of the financial statements	2,820	4,275
Fees payable to the company's auditor and its associates for other services:		
Taxation compliance services	1,000	1,000
Other non-audit services	1,000	2,000
	<u>2,000</u>	<u>3,000</u>

5. Tangible assets

	Plant and machinery	Fixtures, fittings and equipment	Leasehold improvements	Total
	£	£	£	£
Cost				
At 1 January 2017	36,214	11,990	16,294	64,498
Additions	599	40	-	639
Disposals	-	-	(16,294)	(16,294)
At 31 December 2017	<u>36,813</u>	<u>12,030</u>	<u>-</u>	<u>48,843</u>
Depreciation				
At 1 January 2017	23,207	9,990	6,390	39,587
Charge for the year	8,933	1,576	6,568	17,077
Disposals	-	-	(12,958)	(12,958)
At 31 December 2017	<u>32,140</u>	<u>11,566</u>	<u>-</u>	<u>43,706</u>
Carrying amount				
At 31 December 2017	<u>4,673</u>	<u>464</u>	<u>-</u>	<u>5,137</u>
At 31 December 2016	<u>13,007</u>	<u>2,000</u>	<u>9,904</u>	<u>24,911</u>

6. Debtors

	2017	2016
	£	£
Trade debtors	48,976	343,870
Other debtors	30,067	99,879
	<u>79,043</u>	<u>443,749</u>

Dilax Systems UK Limited

Notes to the financial statements (continued) Year ended 31 December 2017

7. Creditors: amounts falling due within one year

	2017	2016
	£	£
Bank loans and overdrafts	399	5,032
Trade creditors	18,825	111,188
Amounts owed to group undertakings and undertakings in which the company has a participating interest	200,000	1,596,255
Social security and other taxes	77,618	86,068
Other creditors	60,131	27,898
	<u>356,973</u>	<u>1,826,441</u>

Included in the balance due to the group undertaking is an unsecured loan of £125,000 bearing simple interest at 5.50% per annum.

8. Creditors: amounts falling due after more than one year

	2017	2016
	£	£
Amounts owed to group undertakings and undertakings in which the company has a participating interest	1,201,625	-
Other creditors	-	7,585
	<u>1,201,625</u>	<u>7,585</u>

9. Summary audit opinion

The auditor's report for the year dated 20 March 2018 was unqualified.

The statutory auditor was Reza Samii ACA.

10. Related party transactions

During the year Mr Robert Selle, a director, charged the company a sum of £10,507.00 in respect of his Management Services. The balance due to him as at 31.12.2017 was £NIL.

11. Ethical standards

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

12. Controlling party

The company was controlled throughout the current and previous period by Dilax Intelcom GmbH, a company incorporated in Germany, by virtue of its 100% holding of the voting shares.

The company utilises the exemption contained in Financial Reporting Standard 8 "Related Party Disclosures" not to disclose any transactions with entities which are part of Dilax Intelcom GmbH.

Dilax Systems UK Limited

Notes to the financial statements (continued)
Year ended 31 December 2017

13. Charges & Guarantees

The company has created a charge in favour of its former landlord safeguarding the rent deposit of £7,500 plus an amount equivalent to the VAT thereon.

14. Material Uncertainty related to Going Concern

Company's operating loss for the year amounted to £363,968 (2016: £658,576).

The company is a member of a large group and its financial resources are managed on a group basis. The directors have reviewed company's operations and they have reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, being 12 months from the date of signing these financial statements.

Without the continued support of the Holding company, there is a material uncertainty casting significant doubt on the company's ability to continue as a going concern.

The directors have also considered various mitigating factors including much reduced wages and salaries, marketing and travelling and entertaining costs.

The directors therefore continue to adopt the going concern basis in preparing these financial statements.