

Company Registration No. 3798886 (England and Wales)

DENTAL SKY WHOLESALER LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018
PAGES FOR FILING WITH REGISTRAR

DENTAL SKY WHOLESALER LIMITED

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DENTAL SKY WHOLESALER LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2018

| | Notes | 2018 £ | £ | 2017 £ | £ |
|--|-------|------------------|--------------------|------------------|--------------------|
| Fixed assets | | | | | |
| Intangible assets | 3 | | 11,345 | | 17,018 |
| Tangible assets | 4 | | 68,805 | | 93,603 |
| | | | <u>80,150</u> | | <u>110,621</u> |
| Current assets | | | | | |
| Stocks | | 1,321,893 | | 1,031,923 | |
| Debtors | 5 | 1,604,744 | | 1,619,918 | |
| Cash at bank and in hand | | 98,991 | | 45,550 | |
| | | <u>3,025,628</u> | | <u>2,697,391</u> | |
| Creditors: amounts falling due within one year | 6 | (3,806,117) | | (2,615,250) | |
| Net current (liabilities)/assets | | | <u>(780,489)</u> | | <u>82,141</u> |
| Total assets less current liabilities | | | <u>(700,339)</u> | | <u>192,762</u> |
| Creditors: amounts falling due after more than one year | 7 | | (1,703,951) | | (1,688,323) |
| Net liabilities | | | <u>(2,404,290)</u> | | <u>(1,495,561)</u> |
| Capital and reserves | | | | | |
| Called up share capital | 8 | | 10,000 | | 10,000 |
| Profit and loss reserves | | | <u>(2,414,290)</u> | | <u>(1,505,561)</u> |
| Total equity | | | <u>(2,404,290)</u> | | <u>(1,495,561)</u> |

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 25 September 2019 and are signed on its behalf by:

Vivian Stemmer
Director

Company Registration No. 3798886

DENTAL SKY WHOLESALER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Company information

Dental Sky Wholesaler Limited is a private company limited by shares incorporated in England and Wales. The registered office is Martlet House, E1, Yeoman Gate, Yeoman Way, Worthing, West Sussex, BN13 3QZ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

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

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|---------|--------------------------------|
| Website | 33% reducing balance per annum |
|---------|--------------------------------|

DENTAL SKY WHOLESALER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|------------------------------|--------------------------------|
| Leasehold land and buildings | 33% straight line per annum |
| Plant and equipment | 33% reducing balance per annum |
| Fixtures and fittings | 20% reducing balance per annum |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

DENTAL SKY WHOLESALER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.8 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

DENTAL SKY WHOLESALER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 33 (2017 - 26).

3 Intangible fixed assets

| | Website £ |
|--|--------------|
| Cost | |
| At 1 January 2018 and 31 December 2018 | 38,290 |
| Amortisation and impairment | |
| At 1 January 2018 | 21,272 |
| Amortisation charged for the year | 5,673 |
| At 31 December 2018 | 26,945 |
| Carrying amount | |
| At 31 December 2018 | 11,345 |
| At 31 December 2017 | 17,018 |

DENTAL SKY WHOLESALER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

4 Tangible fixed assets

| | Leasehold land and buildings £ | Plant and equipment £ | Fixtures and fittings £ | Total £ |
|------------------------------------|---|-----------------------------|-------------------------------|------------|
| Cost | | | | |
| At 1 January 2018 | 174,135 | 157,548 | 149,529 | 481,212 |
| Additions | - | 2,067 | - | 2,067 |
| At 31 December 2018 | 174,135 | 159,615 | 149,529 | 483,279 |
| Depreciation and impairment | | | | |
| At 1 January 2018 | 173,509 | 105,981 | 108,119 | 387,609 |
| Depreciation charged in the year | 626 | 18,371 | 7,868 | 26,865 |
| At 31 December 2018 | 174,135 | 124,352 | 115,987 | 414,474 |
| Carrying amount | | | | |
| At 31 December 2018 | - | 35,263 | 33,542 | 68,805 |
| At 31 December 2017 | 626 | 51,566 | 41,411 | 93,603 |

5 Debtors

| | 2018 £ | 2017 £ |
|--|-----------|-----------|
| Amounts falling due within one year: | | |
| Trade debtors | 1,478,887 | 1,406,848 |
| Other debtors | 85,857 | 173,070 |
| | 1,564,744 | 1,579,918 |
| Amounts falling due after more than one year: | | |
| Deferred tax asset | 40,000 | 40,000 |
| Total debtors | 1,604,744 | 1,619,918 |

DENTAL SKY WHOLESALER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

6 Creditors: amounts falling due within one year

| | 2018 £ | 2017 £ |
|------------------------------------|------------------|------------------|
| Bank loans and overdrafts | 1,771 | 1,973 |
| Trade creditors | 1,229,099 | 725,305 |
| Amounts owed to group undertakings | 1,469,721 | 802,264 |
| Taxation and social security | 113,913 | 148,595 |
| Other creditors | 991,613 | 937,113 |
| | <u>3,806,117</u> | <u>2,615,250</u> |

Included within other creditors is an overdraft facility, which is secured against the assets of the company.

7 Creditors: amounts falling due after more than one year

| | 2018 £ | 2017 £ |
|---------------------------|------------------|------------------|
| Bank loans and overdrafts | - | 1,771 |
| Other creditors | 1,703,951 | 1,686,552 |
| | <u>1,703,951</u> | <u>1,688,323</u> |

8 Called up share capital

| | 2018 £ | 2017 £ |
|-----------------------------------|---------------|---------------|
| Ordinary share capital | | |
| Issued and fully paid | | |
| 10,000 Ordinary Shares of £1 each | 10,000 | 10,000 |
| | <u>10,000</u> | <u>10,000</u> |

9 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was David Macdonald B.A. F.C.A.
The auditor was Martlet Audit Limited.

DENTAL SKY WHOLESALER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

10 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

| 2018 | 2017 |
|----------------|----------------|
| £ | £ |
| 102,003 | 165,303 |
| <u>102,003</u> | <u>165,303</u> |

11 Parent company

The company is controlled by FS Holding SA, The company's immediate parent company.

