

DRU(UK)
(A Company Limited by Guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018



DRU(UK)
(A Company Limited by Guarantee)

COMPANY INFORMATION

DIRECTORS

C B Barrington
J F Jones
J Marvin
L Rowan

COMPANY SECRETARY

K Couldwell
P Opsteeg

REGISTERED NUMBER

02273970

REGISTERED OFFICE

Snowdonia Mountain Lodge Nant Ffrancon
Bethesda
Bangor
Gwynedd
LL57 3LX

INDEPENDENT AUDITOR

Crowe U.K. LLP
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

DRU(UK)
(A Company Limited by Guarantee)

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DRU(UK)
(A Company Limited by Guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2018

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

DIRECTORS' RESPONSIBILITIES STATEMENT

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 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;
- 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.

DIRECTORS

The directors who served during the year were:

C B Barrington
J F Jones
J Marvin
L Rowan

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.

DRU(UK)
(A Company Limited by Guarantee)

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

AUDITOR

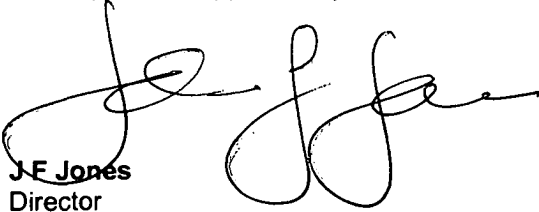
On 25 June 2018, Crowe Clark Whitehill LLP changed its name to Crowe U.K. LLP.

The auditor, Crowe U.K. LLP, is deemed to be reappointed in accordance with section 386 of the Companies Act 1985 by virtue of an elective resolution passed by the members on 27 June 2008.

SMALL COMPANIES NOTE

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 19 December 2018 and signed on its behalf.


J.F. Jones
Director

DRU(UK)
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DRU(UK)

OPINION

We have audited the financial statements of DRU(UK) (the 'Company') for the year ended 31 March 2018, which comprise the Statement of Income and Retained Earnings, the Balance Sheet and the related notes, including a summary of significant accounting policies. 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 March 2018 and of its loss 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.

DRU(UK)
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DRU(UK) (CONTINUED)

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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has 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 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

DRU(UK)
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DRU(UK) (CONTINUED)

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. 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.



Guy J Morgan (Senior Statutory Auditor)

for and on behalf of
Crowe U.K. LLP

Statutory Auditor

Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

19 December 2018

DRU(UK)
(A Company Limited by Guarantee)

STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 MARCH 2018

	Note	2018 £	2017 £
Turnover		994,652	945,577
Cost of sales		(417,078)	(409,025)
GROSS PROFIT		577,574	536,552
Distribution costs		(1,662)	(2,001)
Administrative expenses		(624,967)	(571,419)
Other operating income	3	30,183	32,121
OPERATING LOSS		(18,872)	(4,747)
Interest receivable and similar income		2	6
LOSS BEFORE TAX		(18,870)	(4,741)
LOSS AFTER TAX		(18,870)	(4,741)
Retained earnings at the beginning of the year		84,961	89,702
		84,961	89,702
Loss for the year		(18,870)	(4,741)
RETAINED EARNINGS AT THE END OF THE YEAR		66,091	84,961
The notes on pages 8 to 14 form part of these financial statements.			

DRU(UK)
(A Company Limited by Guarantee)
REGISTERED NUMBER: 02273970

BALANCE SHEET
AS AT 31 MARCH 2018

	Note	2018 £	2017 £
FIXED ASSETS			
Tangible assets	5	269,353	255,299
		<u>269,353</u>	<u>255,299</u>
CURRENT ASSETS			
Stocks	6	30,923	32,585
Debtors: amounts falling due within one year	7	70,438	61,677
Cash at bank and in hand		21,027	61,571
		<u>122,388</u>	<u>155,833</u>
Creditors: amounts falling due within one year	8	(247,394)	(246,941)
NET CURRENT LIABILITIES		<u>(125,006)</u>	<u>(91,108)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>144,347</u>	<u>164,191</u>
Creditors: amounts falling due after more than one year	9	(78,256)	(79,230)
NET ASSETS		<u><u>66,091</u></u>	<u><u>84,961</u></u>
CAPITAL AND RESERVES			
Profit and loss account		66,091	84,961
		<u><u>66,091</u></u>	<u><u>84,961</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 19 December 2018.

J F Jones
Director

The notes on pages 8 to 14 form part of these financial statements.

DRU(UK)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

1. GENERAL INFORMATION

The principal activity of the company during the year was to promote health and well being at every level (physical, mental, emotional and spiritual) by providing education in the use of body, heart and mind techniques including Yoga and associated subjects.

Dru (UK) Limited is a Private Limited company, limited by guarantee (registration number: 02273970), which is registered and domiciled in England and Wales. The address of the registered office is Snowdonia Mountain Lodge, Nant Ffrancon, Bethesda, Bangor, LL57 3LX.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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 following principal accounting policies have been applied:

2.2 GOING CONCERN

The Directors have considered the Company's position at the balance sheet date and have concluded that preparation of the financial statements on a going concern basis is appropriate.

DRU(UK)
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

2. ACCOUNTING POLICIES (CONTINUED)

2.3 REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 INTEREST INCOME

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

2.5 PENSIONS

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

DRU(UK)
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

2. ACCOUNTING POLICIES (CONTINUED)

2.6 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.

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:

Leasehold improvements on other sites	-	20% straight line
Leasehold building improvements	-	2% straight line
Plant, machinery, fixtures & equipment	-	20% straight line
Motor vehicles	-	20% straight line
Website	-	30% straight line

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 Income and Retained Earnings.

2.7 STOCKS

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.8 DEBTORS

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.9 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

DRU(UK)
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

2. ACCOUNTING POLICIES (CONTINUED)

2.10 CREDITORS

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 FINANCIAL INSTRUMENTS

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

3. OTHER OPERATING INCOME

	2018	2017
	£	£
Release of capital donation	30,183	32,121

4. EMPLOYEES

The average monthly number of employees, including directors, during the year was 40 (2017 - 40).

DRU(UK)
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

5. TANGIBLE FIXED ASSETS

	Leasehold building improvements £	Plant, machinery, fixtures & equipment £	Motor vehicles £	Website £	Leasehold improvements on other sites £	Total £
COST						
At 1 April 2017	257,497	216,441	63,305	45,287	59,755	642,285
Additions	3,203	8,552	32,494	4,858	11,849	60,956
Disposals	-	-	(11,090)	-	-	(11,090)
At 31 March 2018	260,700	224,993	84,709	50,145	71,604	692,151
DEPRECIATION						
At 1 April 2017	77,084	191,353	57,343	43,339	17,867	386,986
Charge for the year on owned assets	5,213	13,343	5,873	2,953	13,670	41,052
Disposals	-	-	(5,240)	-	-	(5,240)
Transfers between classes	(3,747)	-	-	-	3,747	-
At 31 March 2018	78,550	204,696	57,976	46,292	35,284	422,798
NET BOOK VALUE						
At 31 March 2018	182,150	20,297	26,733	3,853	36,320	269,353
At 31 March 2017	180,413	25,088	5,962	1,948	41,888	255,299

6. STOCKS

	2018 £	2017 £
Finished goods and goods for resale	30,923	32,585

DRU(UK)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

7. DEBTORS

	2018 £	2017 £
Trade debtors	20,688	19,980
Amounts owed by group undertakings	4,640	3,936
Other debtors	30,306	21,028
Prepayments and accrued income	14,804	16,733
	<u>70,438</u>	<u>61,677</u>

8. CREDITORS: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	40,156	34,064
Other taxation and social security	9,225	6,216
Other creditors	48,334	56,871
Accruals and deferred income	149,679	149,790
	<u>247,394</u>	<u>246,941</u>

9. CREDITORS: Amounts falling due after more than one year

	2018 £	2017 £
Accruals and deferred income	78,256	79,230
	<u>78,256</u>	<u>79,230</u>

10. COMPANY STATUS

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

DRU(UK)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

11. PENSION COMMITMENTS

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £719 (2017 - £NIL) . Contributions totalling £134 (2017 - £NIL) were payable to the fund at the balance sheet date and are included in other creditors.