

D & D INTERNATIONAL VALVES LIMITED

**FILLETED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

D & D INTERNATIONAL VALVES LIMITED
REGISTERED NUMBER: 01634595

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	4	612,784	631,205
		<u>612,784</u>	<u>631,205</u>
Current assets			
Stocks		821,427	678,603
Debtors: amounts falling due within one year	5	500,663	513,644
Cash at bank and in hand		550,639	619,270
		<u>1,872,729</u>	<u>1,811,517</u>
Current liabilities			
Creditors: amounts falling due within one year	6	(511,192)	(480,762)
		<u>1,361,537</u>	<u>1,330,755</u>
Net current assets			
		<u>1,974,321</u>	<u>1,961,960</u>
Total assets less current liabilities			
Provisions for liabilities			
Deferred tax	7	(12,045)	(10,324)
		<u>1,962,276</u>	<u>1,951,636</u>
Net assets			
Capital and reserves			
Called up share capital	8	28,500	28,500
Capital redemption reserve		28,000	28,000
Profit and loss account		1,905,776	1,895,136
		<u>1,962,276</u>	<u>1,951,636</u>

D & D INTERNATIONAL VALVES LIMITED
REGISTERED NUMBER: 01634595

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

.....
G J Tattersall
Director

Date: 22 February 2024

The notes on pages 3 to 9 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. General information

D & D International Valves Limited is a private Company limited by shares, incorporated in England and Wales within the United Kingdom. The address of its registered office is Saxham Business Park, Saxham, Bury St Edmunds, Suffolk, IP28 6RX.

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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 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.

2.3 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

2.4 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Income and Retained Earnings in the same period as the related expenditure.

2.5 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.6 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 profit or loss 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.

2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

2.8 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.

Depreciation is provided on the following basis:

Freehold property	- 2% per annum straight line
Plant and machinery	- 20% per annum straight line
Motor vehicles	- 25% per annum reducing balance
Fixtures and fittings	- 20% per annum 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 profit or loss.

2.9 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 weighted average 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.

2.10 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.

2.11 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.

2.12 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

2.13 Provisions for liabilities

Provisions are recognised when an event has taken place that gives rise to a legal or constructive obligation, a transfer of economic benefits is probable and a reliable estimate can be made.

Provisions are measured as the best estimate of the amount required to settle the obligation, taking into account the related risks and uncertainties.

Increases in provisions are generally charged as an expense to profit or loss.

2.14 Financial instruments

The Company has elected to apply the provisions of Section 11 "Basic Financial Instruments" 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.

Basic financial assets

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, 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.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

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 the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables, bank loans and other loans are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

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

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

2. Accounting policies (continued)**2.15 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 10 (2022 - 10).

4. Tangible fixed assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 September 2022	807,191	98,963	7,446	82,418	996,018
Additions	-	323	-	6,675	6,998
Disposals	-	(2,400)	-	(495)	(2,895)
At 31 August 2023	807,191	96,886	7,446	88,598	1,000,121
Depreciation					
At 1 September 2022	189,266	89,885	7,313	78,349	364,813
Charge for the year on owned assets	12,643	8,259	33	4,482	25,417
Disposals	-	(2,399)	-	(494)	(2,893)
At 31 August 2023	201,909	95,745	7,346	82,337	387,337
Net book value					
At 31 August 2023	605,282	1,141	100	6,261	612,784
At 31 August 2022	617,925	9,078	133	4,069	631,205

Included in land and buildings is freehold land at cost £175,052 (2022 - £175,052) which is not depreciated.

D & D INTERNATIONAL VALVES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

5. Debtors

	2023 £	2022 £
Trade debtors	460,852	477,501
Prepayments	39,811	36,143
	<u>500,663</u>	<u>513,644</u>

6. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	167,948	154,906
Other taxation and social security	148,145	105,701
Other creditors	191,422	191,181
Accruals	3,677	28,974
	<u>511,192</u>	<u>480,762</u>

7. Deferred taxation

	2023 £	2022 £
At beginning of year	(10,324)	(7,164)
Charged to profit or loss	(1,721)	(3,160)
At end of year	<u>(12,045)</u>	<u>(10,324)</u>

The provision for deferred taxation is made up as follows:

	2023 £	2022 £
Accelerated capital allowances	(12,045)	(16,574)
Other timing differences	-	6,250
	<u>(12,045)</u>	<u>(10,324)</u>

D & D INTERNATIONAL VALVES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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8. Share capital

	2023	2022
	£	£
Allotted, called up and fully paid		
28,500 (2022 - 28,500) Ordinary shares of £1.00 each	<u>28,500</u>	<u>28,500</u>

9. 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 £123,656 (2022 - £113,572). Contributions totalling £Nil (2022 - £25,000) were payable to the fund at the balance sheet date and are included in creditors.

10. Related party transactions

During the year the Company operated loans with the directors of the Company. The amount owed to the directors of the Company at the year end was £189,165 (2022 - £190,718). These loans are interest free and repayable on demand.

The Company, being wholly owned by Litral Holdings Limited, has taken advantage of the exemption from disclosure of transactions with other group Companies.

11. Controlling party

The ultimate holding company is Litral Holdings Limited, a company incorporated in the United Kingdom.

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