

Registered number: 02026171

---

**ADANAC VALVE SPECIALITIES LIMITED**

---

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

THURSDAY



\*A6E0HM3U\*

A16

31/08/2017

#70

COMPANIES HOUSE

---

**ADANAC VALVE SPECIALITIES LIMITED**

---

**COMPANY INFORMATION**

---

<b>Directors</b>	E W Cook R G Cook II
<b>Company secretary</b>	Taylor Wessing Secretaries Limited
<b>Registered number</b>	02026171
<b>Registered office</b>	5 New Street Square London EC4A 3TW
<b>Independent auditors</b>	Whiting & Partners Chartered Accountants & Statutory Auditor Greenwood House Greenwood Court Skyliner Way Bury St Edmunds Suffolk IP32 7GY

---

**ADANAC VALVE SPECIALITIES LIMITED**

---

**CONTENTS**

---

	Page
<b>Balance Sheet</b>	<b>1 - 2</b>
<b>Notes to the Financial Statements</b>	<b>3 - 10</b>

**ADANAC VALVE SPECIALITIES LIMITED**  
**REGISTERED NUMBER: 02026171**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2016**

	Note	2016 £	2015 £
<b>Fixed assets</b>			
Tangible assets	4	147,711	154,698
<b>Current assets</b>			
Stocks	5	118,148	114,887
Debtors: amounts falling due within one year	6	432,887	339,558
Cash at bank and in hand	7	405,592	391,255
		<u>956,627</u>	<u>845,700</u>
Creditors: amounts falling due within one year	8	(284,489)	(197,072)
<b>Net current assets</b>		<u>672,138</u>	<u>648,628</u>
<b>Total assets less current liabilities</b>		<u>819,849</u>	<u>803,326</u>
<b>Provisions for liabilities</b>			
Deferred tax	9	(21,450)	(22,945)
		<u>(21,450)</u>	<u>(22,945)</u>
<b>Net assets</b>		<u><u>798,399</u></u>	<u><u>780,381</u></u>

---

**ADANAC VALVE SPECIALITIES LIMITED**  
**REGISTERED NUMBER: 02026171**

---

**BALANCE SHEET (CONTINUED)**  
**AS AT 31 DECEMBER 2016**

---

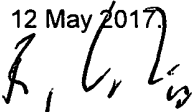
	Note	2016 £	2015 £
<b>Capital and reserves</b>			
Called up share capital		18,400	18,400
Capital redemption reserve		3,200	3,200
Profit and loss account		776,799	758,781
		<u>798,399</u>	<u>780,381</u>

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 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 comprehensive income 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 on 12 May 2017



**R G Cook II**  
Director

The notes on pages 3 to 10 form part of these financial statements.

---

## ADANAC VALVE SPECIALITIES LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

---

#### 1. General information

Adanac Valve Specialities Limited is a private company limited by shares and is incorporated in England. The address of its registered office is 5 New Street Square, London, EC4A 3TW and operates from premises in Woolpit, Bury St Edmunds, Suffolk. The company performs valve engineering and modification. The accounts are prepared for the 12 months ended 31 December 2016 with the comparative period being the 16 months ended 31 December 2015 the accounting reference date having been changed to be coterminous with its parent company.

#### 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 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.

---

## ADANAC VALVE SPECIALITIES LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

---

## 2. Accounting policies (continued)

### 2.3 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, on a reducing balance basis.

Depreciation is provided on the following basis:

Long-term leasehold property	- 5% on cost
Plant and machinery	- 5 to 25% reducing balance or 5% on cost
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 25% reducing balance

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 Comprehensive Income.

### 2.4 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.

### 2.5 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.

### 2.6 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.

### 2.7 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.

---

## ADANAC VALVE SPECIALITIES LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

---

#### 2. Accounting policies (continued)

##### 2.8 Foreign currency translation

###### Functional and presentation currency

The Company's functional and presentational currency is GBP.

###### Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

##### 2.9 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. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

##### 2.10 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

##### 2.11 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 Comprehensive Income 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.

##### 2.12 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.



---

## ADANAC VALVE SPECIALITIES LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

---

#### 2. Accounting policies (continued)

##### 2.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

##### 2.14 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, 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 income 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.

**ADANAC VALVE SPECIALITIES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**3. Employees**

Staff costs, including directors' remuneration, were as follows:

	2016 £	2015 £
Wages and salaries	676,269	828,627
Social security costs	65,664	79,398
Cost of defined contribution scheme	3,000	4,000
	<u>744,933</u>	<u>912,025</u>

The average monthly number of employees, including directors, during the year was 25 (2015 - 24).

**4. Tangible fixed assets**

	Long-term leasehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>					
At 1 January 2016	81,008	324,875	13,451	81,159	500,493
Additions	-	14,351	-	6,833	21,184
At 31 December 2016	<u>81,008</u>	<u>339,226</u>	<u>13,451</u>	<u>87,992</u>	<u>521,677</u>
<b>Depreciation</b>					
At 1 January 2016	45,695	222,894	11,323	65,883	345,795
Charge for the period on owned assets	2,759	18,279	533	6,599	28,170
At 31 December 2016	<u>48,454</u>	<u>241,173</u>	<u>11,856</u>	<u>72,482</u>	<u>373,965</u>
<b>Net book value</b>					
At 31 December 2016	<u>32,554</u>	<u>98,053</u>	<u>1,595</u>	<u>15,510</u>	<u>147,712</u>
At 31 December 2015	<u>35,313</u>	<u>101,981</u>	<u>2,128</u>	<u>15,276</u>	<u>154,698</u>

---

**ADANAC VALVE SPECIALITIES LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

---

**5. Stocks**

	2016 £	2015 £
Finished goods and goods for resale	118,148	114,887
	<u>118,148</u>	<u>114,887</u>

**6. Debtors**

	2016 £	2015 £
Trade debtors	289,930	222,005
Amounts owed by group undertakings	101,541	53,871
Prepayments and accrued income	11,384	19,449
Amounts recoverable on long term contracts	30,032	44,233
	<u>432,887</u>	<u>339,558</u>

**7. Cash and cash equivalents**

	2016 £	2015 £
Cash at bank and in hand	405,592	391,255

**8. Creditors: Amounts falling due within one year**

	2016 £	2015 £
Trade creditors	111,357	84,281
Corporation tax	55,300	33,768
Other taxation and social security	110,620	72,779
Accruals and deferred income	7,212	6,244
	<u>284,489</u>	<u>197,072</u>

---

**ADANAC VALVE SPECIALITIES LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

---

**9. Deferred taxation**

	2016 £	2015 £
At beginning of year	(22,945)	(26,255)
Charged to profit or loss	1,495	3,310
<b>At end of year</b>	<b>(21,450)</b>	<b>(22,945)</b>

The provision for deferred taxation is made up as follows:

	2016 £	2015 £
Accelerated capital allowances	(21,450)	(22,945)
	<b>(21,450)</b>	<b>(22,945)</b>

**10. Commitments under operating leases**

At 31 December 2016 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2016 £	2015 £
Not later than 1 year	70,794	72,719
Later than 1 year and not later than 5 years	240,084	249,893
Later than 5 years	58,290	120,045
	<b>369,168</b>	<b>442,657</b>

**11. Controlling party**

The company is under the control of its parent company AIV Europe Limited. The ultimate parent undertaking is AIV Holding, Inc, a company incorporated in the USA. Group financial statements are prepared but are not publicly available.

The parent's registered office and principal place of business are detailed at [www.aivinc.com](http://www.aivinc.com).

**12. First time adoption of FRS 102**

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

---

**ADANAC VALVE SPECIALITIES LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

---

**13. Auditors' information**

The Independent Auditors' Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report was Christopher Ridgeon on behalf of Whiting & Partners, Statutory Auditor.