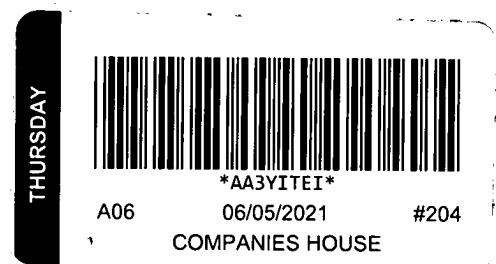


Company registration number: 03617220

DMN UK LIMITED

Filleted financial statements

31 December 2020



duncanjoyce 
& associates, chartered accountants

DMN UK LIMITED

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DMN UK LIMITED

Directors and other information

| | |
|--------------------------|--|
| Director | J. Van Loenen |
| Secretary | J. Van Loenen |
| Company number | 03617220 |
| Registered office | Units 1 & 2, 9 Harris Road Porte Marsh Trading Estate Calne Wiltshire SN11 9PT |
| Auditor | Duncan Joyce & Associates Limited Chartered Accountants 36 & 38 Cross Hayes Malmesbury Wiltshire SN16 9BG |
| Bankers | ING Bank NV 60 London Wall London EC2M 5TQ |

DMN UK LIMITED

Director's report Year ended 31 December 2020

The director presents his report and the financial statements of the company for the year ended 31 December 2020.

Director

The director who served the company during the year was as follows:

J. Van Loenen

Director's responsibilities statement

The director is responsible for preparing the director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 him 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.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

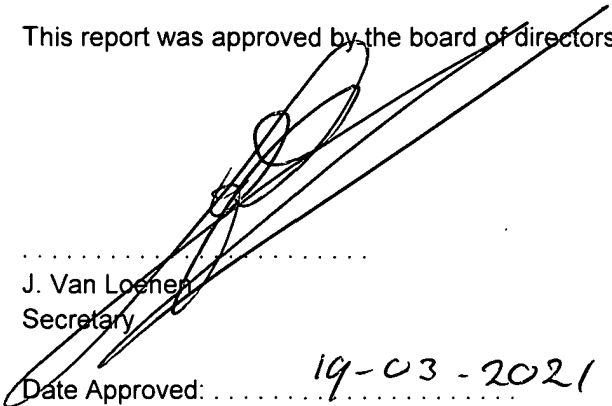
Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

DMN UK LIMITED

Director's report (continued)
Year ended 31 December 2020

This report was approved by the board of directors and signed on behalf of the board by:



.....
J. Van Loenen
Secretary

Date Approved:

19-03-2021

DMN UK LIMITED

**Statement of financial position
31 December 2020**

| | Note | 2020 £ | £ | 2019 £ | £ |
|---|------|-------------|---------|-------------|---------|
| Fixed assets | | | | | |
| Intangible assets | 9 | - | | - | |
| Tangible assets | 10 | 107,248 | | 177,921 | |
| | | | 107,248 | | 177,921 |
| Current assets | | | | | |
| Stocks | | 184,655 | | 209,871 | |
| Debtors | 11 | 984,655 | | 1,179,697 | |
| Cash at bank and in hand | | 27,111 | | 36,162 | |
| | | 1,196,421 | | 1,425,730 | |
| Creditors: amounts falling due within one year | 12 | (1,120,835) | | (1,374,101) | |
| Net current assets | | | 75,586 | | 51,629 |
| Total assets less current liabilities | | | 182,834 | | 229,550 |
| Net assets | | | 182,834 | | 229,550 |
| Capital and reserves | | | | | |
| Called up share capital | 13 | 100,000 | | 100,000 | |
| Profit and loss account | | 82,834 | | 129,550 | |
| Shareholders funds | | 182,834 | | 229,550 | |

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 Section 1A of 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 income and retained earnings has not been delivered.

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

DMN UK LIMITED

Statement of financial position (continued)
31 December 2020

These financial statements were approved by the board and authorised for issue and signed on behalf of the board by:

.....
J. Van Loenen
Director

Date Signed: 19-03-2021

Company registration number: 03617220

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

DMN UK LIMITED

Notes to the financial statements Year ended 31 December 2020

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is DMN UK LIMITED, Units 1 & 2, 9 Harris Road, Porte Marsh Trading Estate, Calne, Wiltshire, SN11 9PT.

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 in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

The financial statements have been prepared on the historical cost basis.

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

Turnover

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

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods 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 tax and deferred tax recognised in the reporting period. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, 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.

DMN UK LIMITED

Notes to the financial statements (continued) Year ended 31 December 2020

Tangible assets

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

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:

| | | |
|---------------------|-------|---------------|
| Plant and machinery | - 25% | straight line |
| Motor vehicles | - 25% | straight line |

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.

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.

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.

4. Turnover

Overseas turnover amounted to 40% (31 December 2019: 27%) of the total turnover for the year

5. Operating loss

Operating loss is stated after charging/(crediting):

| | 2020 | 2019 |
|--|---------|----------|
| | £ | £ |
| Depreciation of tangible assets | 73,699 | 72,385 |
| (Gain)/loss on disposal of tangible assets | (7,155) | (5,747) |
| Impairment of trade debtors | 9,878 | - |
| Operating lease rentals | 36,371 | 37,086 |
| Foreign exchange differences | 8,716 | (25,598) |
| Fees payable for the audit of the financial statements | 13,500 | 13,000 |

DMN UK LIMITED

Notes to the financial statements (continued)
Year ended 31 December 2020

6. Auditors remuneration

| | 2020 | 2019 |
|--|---------------|---------------|
| | £ | £ |
| Fees payable to Duncan Joyce & Associates Limited | | |
| Fees payable for the audit of the financial statements | <u>13,500</u> | <u>13,000</u> |

7. Staff costs

The average number of persons employed by the company during the year, including the director, amounted to:

| | 2020 | 2019 |
|----------------------|-------------|-----------|
| Administrative staff | <u>21</u> | <u>15</u> |

The aggregate payroll costs incurred during the year were:

| | 2020 | 2019 |
|-----------------------|----------------|----------------|
| | £ | £ |
| Wages and salaries | 667,656 | 626,084 |
| Social security costs | 75,306 | 68,891 |
| Other pension costs | 37,257 | 32,423 |
| | <u>780,219</u> | <u>727,398</u> |

8. Directors remuneration

No director's remuneration was paid or payable for the year ended 31 December 2020 (2019 - £Nil).

9. Intangible assets

| | Goodwill | Total |
|--|----------------|----------------|
| | £ | £ |
| Cost | | |
| At 1 January 2020 and 31 December 2020 | <u>192,250</u> | <u>192,250</u> |
| Amortisation | | |
| At 1 January 2020 and 31 December 2020 | <u>192,250</u> | <u>192,250</u> |
| Carrying amount | | |
| At 31 December 2020 | <u>-</u> | <u>-</u> |
| At 31 December 2019 | <u>-</u> | <u>-</u> |

DMN UK LIMITED

Notes to the financial statements (continued)
Year ended 31 December 2020

10. Tangible assets

| | Plant and machinery | Motor vehicles | Total |
|----------------------------|------------------------|-------------------|----------------|
| | £ | £ | £ |
| Cost | | | |
| At 1 January 2020 | 144,640 | 231,769 | 376,409 |
| Additions | 11,110 | 55,889 | 66,999 |
| Disposals | (9,118) | (100,058) | (109,176) |
| At 31 December 2020 | <u>146,632</u> | <u>187,600</u> | <u>334,232</u> |
| Depreciation | | | |
| At 1 January 2020 | 108,327 | 90,161 | 198,488 |
| Charge for the year | 16,372 | 57,327 | 73,699 |
| Disposals | (3,040) | (42,163) | (45,203) |
| At 31 December 2020 | <u>121,659</u> | <u>105,325</u> | <u>226,984</u> |
| Carrying amount | | | |
| At 31 December 2020 | <u>24,973</u> | <u>82,275</u> | <u>107,248</u> |
| At 31 December 2019 | <u>36,313</u> | <u>141,608</u> | <u>177,921</u> |

11. Debtors

| | 2020 | 2019 |
|---|----------------|------------------|
| | £ | £ |
| Trade debtors | 873,433 | 1,103,731 |
| Amounts owed by group undertakings and undertakings in which the company has a participating interest | 48,271 | - |
| Other debtors | 62,951 | 75,966 |
| | <u>984,655</u> | <u>1,179,697</u> |

DMN UK LIMITED

Notes to the financial statements (continued)
Year ended 31 December 2020

12. Creditors: amounts falling due within one year

| | 2020 | 2019 |
|---|------------------|------------------|
| | £ | £ |
| Bank loans and overdrafts (secured) | 38,217 | 67,676 |
| Trade creditors | 23,192 | 27,934 |
| Amounts owed to group undertakings and undertakings in which the company has a participating interest (secured) | 847,634 | 999,508 |
| Social security and other taxes | 123,236 | 158,030 |
| Other creditors | 88,556 | 120,953 |
| | <u>1,120,835</u> | <u>1,374,101</u> |

The company's parent DMN Machinefabriek Noordwykerhout BV, has a fixed and floating charge up to £1 Million as security against the inter company trade debt.

The bank overdraft with ING Bank NV is guaranteed by DMN Machinefabriek Noordwykerhout BV. The company's parent company.

13. Called up share capital
Issued, called up and fully paid

| | 2020 | | 2019 | |
|---------------------------------------|----------------|----------------|----------------|----------------|
| | No | £ | No | £ |
| Ordinary shares shares of £ 1.00 each | <u>100,000</u> | <u>100,000</u> | <u>100,000</u> | <u>100,000</u> |

14. Operating leases

The company as lessee

The total future minimum lease payments under non-cancellable operating leases are as follows:

| | 2020 | 2019 |
|--|----------------|----------------|
| | £ | £ |
| Not later than 1 year | 31,771 | 32,311 |
| Later than 1 year and not later than 5 years | 73,401 | 98,221 |
| Later than 5 years | - | 7,491 |
| | <u>105,172</u> | <u>138,023</u> |

15. Events after the end of the reporting period

Since the year end, the company has sold its UK service division to an unconnected third party. During the current reporting period, the group's board of directors decided to focus its efforts on the sales of equipment and spare parts rather than service activities. The service division was therefore put up for sale.

DMN UK LIMITED

Notes to the financial statements (continued) Year ended 31 December 2020

16. Summary audit opinion

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

The senior statutory auditor was Duncan N Joyce, for and on behalf of Duncan Joyce & Associates Limited.

17. Related party transactions

During the year the company entered into the following transactions with related parties:

| | Transaction value | | Balance owed by/(owed to) | |
|--|-------------------|-----------|---------------------------|-----------|
| | 2020 | 2019 | 2020 | 2019 |
| | £ | £ | £ | £ |
| DMN Noordwykerhout BV - Purchases from | 2,377,341 | 2,860,112 | (845,305) | (999,508) |
| DMN Noordwykerhout BV - Sales to | (187,058) | (9,067) | 48,271 | - |
| DMN India Private Limited - Sales to | (9,878) | - | - | - |
| DMN Inc - Purchases from | - | 572 | - | - |
| DMN France SAS - Sales to | - | (2,286) | - | - |
| DMN Schuttguttechnik GmbH - Purchases from | 5,928 | 69 | (2,329) | (69) |
| DMN Schuttguttechnik GmbH - Sales to | (1,062) | (194) | - | - |

The company trades with its immediate parent company DMN Machinefabriek Noordwykerhout BV (DMN Noordwykerhout BV) both buying and (selling) goods and services. It also occasionally trades with other members of the group as detailed above.

18. Ethical standards

DMN UK Limited uses the services of Duncan Joyce & Associates Limited, Chartered Accountants, for the provision of accountancy, taxation and payroll services, in addition to their Audit services. In the opinion of the director, the provision of these additional services does not compromise the auditors independence for audit purposes.

19. Controlling party

The company is a wholly owned subsidiary of DMN Machinefabriek Noordwykerhout BV, a company registered in Holland. The company's ultimate parent undertaking is Baliken Holding BV, which is also registered in Holland. The registered address for both these companies is Gieterij 3, 2211 WC, Bedrijventerrein, Gravendam, Noordwykerhout, Netherlands.

The ultimate controlling party is A Bakker, a dutch national, who owns and controls Baliken Holdings BV.