

REGISTRAR OF COMPANIES

Company Registration No. 03938463 (England and Wales)

DENVAL CO LIMITED

DIRECTORS' REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

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# DENVAL CO LIMITED

## COMPANY INFORMATION

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### Directors

Mr A J Morris  
Mrs JL Morris  
Mr L T Millinship (Appointed 24 November 2014)  
Mr T M Partridge (Appointed 24 November 2014)

### Company number

03938463

### Registered office

Guardian House  
Capital Business Park  
CARDIFF  
South Glamorgan  
UK  
CF3 2PZ

### Accountants

Broomfield & Alexander Limited  
Ty Derw  
Lime Tree Court  
Cardiff Gate Business Park  
CARDIFF  
UK  
CF23 8AB

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# DENVAL CO LIMITED

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# DENVAL CO LIMITED

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 31 DECEMBER 2014**

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The directors present their report and financial statements for the year ended 31 December 2014

### Principal activities and review of the business

The principal activity of the company in the year under review was that of an aluminium metal fabricator, producing windows, curtain walling, fire screens and a range of specialist items

### Directors

The following directors have held office since 1 January 2014

Mr A J Morris

Mr D G Owen

(Resigned 14 January 2015)

Mrs JL Morris

Mr L T Millinship

(Appointed 24 November 2014)

Mr T M Partridge

(Appointed 24 November 2014)

### Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

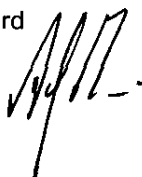
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 and then apply them consistently,
- make judgements 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 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.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board



Mr A J Morris

**Director**

9 March 2015

# DENVAL CO LIMITED

## CHARTERED ACCOUNTANTS' REPORT TO THE TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF DENVAL CO LIMITED FOR THE YEAR ENDED 31 DECEMBER 2014

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Denval Co Limited for the year ended 31 December 2014 set out on pages 3 to 11 from the company's accounting records and from information and explanations you have given us

As a practising member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at [icaew.com/regulations](http://icaew.com/regulations)

This report is made solely to the Board of Directors of Denval Co Limited, as a body, in accordance with the terms of our engagement letter dated 6 January 2010. Our work has been undertaken solely to prepare for your approval the financial statements of Denval Co Limited and state those matters that we have agreed to state to the Board of Directors of Denval Co Limited, as a body, in this report in accordance with AAF 2/10 as detailed at [icaew.com/compilation](http://icaew.com/compilation). To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Denval Co Limited and its Board of Directors as a body, for our work or for this report

It is your duty to ensure that Denval Co Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Denval Co Limited. You consider that Denval Co Limited is exempt from the statutory audit requirement for the year

We have not been instructed to carry out an audit or a review of the financial statements of Denval Co Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements



**Broomfield & Alexander Limited**

**Chartered Accountants**

9 March 2015

Ty Derw  
Lime Tree Court  
Cardiff Gate Business Park  
CARDIFF  
UK  
CF23 8AB

# DENVAL CO LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £	2013 £
Turnover		5,359,511	4,373,402
Cost of sales		(4,161,930)	(3,357,355)
Gross profit		1,197,581	1,016,047
Administrative expenses		(1,113,155)	(929,260)
Other operating income		3,431	-
Operating profit	2	87,857	86,787
Interest payable and similar charges		(7,611)	(1,907)
Profit on ordinary activities before taxation		80,246	84,880
Tax on profit on ordinary activities	3	(30,648)	-
Profit for the year	12	49,598	84,880

# DENVAL CO LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2014

	Notes	2014 £	£	2013 £	£
<b>Fixed assets</b>					
Intangible assets	4	270,193		310,917	
Tangible assets	5	50,872		57,110	
			321,065		368,026
<b>Current assets</b>					
Stocks	8	352,000		198,750	
Debtors	6	2,229,842		1,549,004	
Cash at bank and in hand		145,609		31,377	
		2,727,451		1,779,131	
<b>Creditors: amounts falling due within one year</b>	7	(2,688,654)		(497,079)	
<b>Net current assets/(liabilities)</b>			38,797		192,143
<b>Total assets less current liabilities</b>			359,862		233,516
<b>Creditors: amounts falling due after more than one year</b>	9		(294,842)		(2,629)
<b>Provisions for liabilities</b>	10		(8,683)		-
			56,337		6,739
<b>Capital and reserves</b>					
Called up share capital	11		100		100
Share premium account	12		4,305		4,305
Profit and loss account	12		51,932		2,334
<b>Shareholders' funds</b>			56,337		6,739

# **DENVAL CO LIMITED**

## **BALANCE SHEET (CONTINUED)**

**AS AT 31 DECEMBER 2014**

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For the financial year ended 31 December 2014 the company was entitled to exemption from audit under section 477 Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board for issue on 9 March 2015

Mr A J Morris  
Director



**Company Registration No 03938463**

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# DENVAL CO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007)

Despite the company having net current liabilities, the financial statements have been prepared on a going concern basis. This presumes that the company will continue to operate for the foreseeable future. The directors are of the opinion that it is appropriate to prepare the financial statements under the going concern assumption as the company will continue to benefit from the support of its directors and its parent company, Brunel Plant Services Limited.

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

#### 1.3 Turnover

Turnover represents amounts derived from the provision of goods and services which fall within the company's ordinary activities after deduction of trade discounts and Value Added Tax.

The turnover and pre-tax profit, which arises in the United Kingdom, is attributable to the Company's principal activity.

Profit is recognised on long-term contracts, if the final outcome can be assessed with reasonable certainty, by including in the profit and loss account turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs to date bear to total expected costs for that contract.

#### 1.4 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

#### 1.5 Tangible fixed assets and depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	25% on net book value
Fixtures, fittings & equipment	25% on net book value
Motor vehicles	15% on net book value

#### 1.6 Stock and work in progress

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost is based upon a first in first out basis. Net realisable value represents estimated selling price less costs to complete and sell.

#### 1.7 Long term contracts

Amounts recoverable on long term contracts, which are included in debtors, are stated at the net sales value of the work done after provision for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account.

# DENVAL CO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

### 1 Accounting policies (Continued)

#### 1.8 Government grants

Grants are credited to deferred revenue. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

2 Operating profit	2014 £	2013 £
Operating profit is stated after charging		
Amortisation of intangible assets	40,725	40,725
Depreciation of tangible assets	11,951	15,223
Directors' remuneration	52,877	44,800
and after crediting		
Government grants	3,431	-

3 Taxation	2014 £	2013 £
<b>Domestic current year tax</b>		
U K corporation tax	21,965	-
<b>Total current tax</b>	21,965	-

<b>Deferred tax</b>		
Origination and reversal of timing differences	8,683	-
	30,648	-

4 Intangible fixed assets	Goodwill £
<b>Cost</b>	
At 1 January 2014 & at 31 December 2014	407,253
<b>Amortisation</b>	
At 1 January 2014	96,335
Charge for the year	40,725
At 31 December 2014	137,060
<b>Net book value</b>	
At 31 December 2014	270,193
At 31 December 2013	310,917

# DENVAL CO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2014

#### 5 Tangible fixed assets

	Plant and machinery etc
	£
<b>Cost</b>	
At 1 January 2014	106,671
Additions	5,714
	<hr/>
At 31 December 2014	112,385
	<hr/>
<b>Depreciation</b>	
At 1 January 2014	49,562
Charge for the year	11,951
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At 31 December 2014	61,513
	<hr/>
<b>Net book value</b>	
At 31 December 2014	50,872
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At 31 December 2013	57,109
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The net book value of tangible fixed assets includes £0 (2013 - £21,618) in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £0 (2013 - £4,223) for the year.

#### 6 Debtors

	2014 £	2013 £
Trade debtors	443,385	344,703
Amounts recoverable on long term contracts	1,456,062	1,032,848
Other debtors	330,395	171,453
	<hr/>	<hr/>
	2,229,842	1,549,004
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# DENVAL CO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

<b>7</b>	<b>Creditors amounts falling due within one year</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	Bank loans and overdrafts	74,228	-
	Net obligations under hire purchase contracts	-	7,646
	Trade creditors	1,698,865	1,488,296
	Taxation and social security	114,587	79,583
	Other creditors	800,974	564,894
		<u>2,688,654</u>	<u>2,140,419</u>

Included within other creditors there is directors loan account of £146,540 (2013 £152,077), which is interest free, unsecured and has no set repayment terms

<b>8</b>	<b>Stocks and work in progress</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	Stocks	<u>352,000</u>	<u>198,750</u>

<b>9</b>	<b>Creditors amounts falling due after more than one year</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	Bank loans	<u>294,842</u>	<u>-</u>
	<b>Analysis of loans</b>		
	Wholly repayable within five years	369,070	-
	Included in current liabilities	(74,228)	-
		<u>294,842</u>	<u>-</u>

# DENVAL CO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2014

#### 10 Provisions for liabilities

	Deferred tax liability £
Profit and loss account	8,683
Balance at 31 December 2014	<u>8,683</u>

The deferred tax liability is made up as follows:

	2014 £	2013 £
Accelerated capital allowances	<u>8,683</u>	<u>-</u>

#### 11 Share capital

	2014 £	2013 £
Allotted, called up and fully paid 100 Ordinary Shares of £1 each	<u>100</u>	<u>100</u>

#### 12 Statement of movements on reserves

	Share premium account £	Profit and loss account £
Balance at 1 January 2014	4,305	2,334
Profit for the year	-	49,598
Balance at 31 December 2014	<u>4,305</u>	<u>51,932</u>

# DENVAL CO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

### 13 Financial commitments

At 31 December 2014 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2015

	2014 £	2013 £
Operating leases which expire		
Between two and five years	69,960	65,000

### 14 Control

The ultimate parent company is considered to be Brunel Plant Services Limited, a company incorporated in the United Kingdom and registered in England & Wales. A copy of the financial statements of Brunel Plant Services Limited can be obtained from Companies House, Crown Way, Maindy, Cardiff

In the opinion of the directors the ultimate controlling party is Mr A J Morris, who together with his wife Mrs P L Morris own 100% of the issued share capital of Brunel Plant Services Limited

### 15 Related party transactions

At the end of the year the company was owed £nil (2013 £nil) by Brunel Plant Services Limited and owed £389,753 (2013 £316,930) to Brunel Plant Services Limited

During the year the company provided goods and services to Denver Drilling Services Limited to the value of £36,000 (2013 £63,512). The company purchased goods and services from Denver Drilling Services Limited to the value of £475 (2013 £39,182). As at the end of the year the company was owed £141,707 (2013 £127,928) from Denver Drilling Services Limited

During the year the company provided goods and services to Capital Sheet Metal Limited to the value of £nil (2013 £26,357). Included within debtors is £91,363 (2013 £54,422) due from Capital Sheet Metal Limited. The company purchased goods and services from Capital Sheet Metal Limited to the value of £210,171 (2013 £190,467). During the year the company charged Capital Sheet Metal Limited management charge of £10,000 (2013 £35,000). As at the year end, the company owed Capital Sheet Metal Limited £178,289 (2013 £45,387)

The above companies are related due to common ownership and directorship