

Company registration number 04288359 (England and Wales)

DURGAN MONSTEIN PLC
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

DURGAN MONSTEIN PLC

COMPANY INFORMATION

Directors	G. R. Durgan J. H. Durgan
Secretary	G. R. Durgan
Company number	04288359
Registered office	10 Station Road Henley on Thames Oxfordshire RG9 1AY
Auditor	Kench & Co Ltd Chartered Accountants 10 Station Road Henley on Thames Oxfordshire RG9 1AY
Business address	Fielding House Jubilee Road Littlewick Green Maidenhead Buckinghamshire SL6 3QU

DURGAN MONSTEIN PLC

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DURGAN MONSTEIN PLC

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present the strategic report for the year ended 31 December 2022.

Review of the business

The results for the year and the financial position at the year end were considered satisfactory by the directors who remained committed to containing operating costs whilst taking advantage of opportunities to increase turnover.

At the year end, the Company had shareholders funds amounting to £17,021 (2021: £16,365).

Principal risks and uncertainties

The directors continue to monitor the principal risks and uncertainties facing the Company and they are confident that there are suitable policies in place and that no material risks or uncertainties exist which have not been considered. These policies are summarised below:

Currency Risk

The Company's principal foreign currency exposure arises from potential trading with overseas customers. During the year ended 31st December 2022, all customers were based in the UK.

Credit Risk

The Company's principal financial assets are its bank balances. The Company's trading activities do, from time to time, expose it to credit risk, primarily attributable to its trade debtors and the amounts presented on the balance sheet are net of allowances for doubtful debts. The directors adopt a risk policy with regards to debtors based upon payment history with the Company.

Liquidity Risk

The Company seeks to ensure sufficient funds are available for ongoing operations and future developments through the appropriate management of its cash balances. The directors are also committed to providing finance personally, should the need arise.

Interest Rate Risk

The Company limits its exposure to this risk by self-funding its day to day operations.

Key performance indicators

The Company continues to monitor performance throughout the financial year. In 2022, the Company's turnover decreased by approximately 58%, and the gross profit margin remained at 100% . The Company reported a profit before tax of £71 compared with a loss before tax of £5,964 in 2021.

Other performance indicators

In terms of non-financial Key Performance Indicators, management do not monitor these due to the size and nature of the business activities.

DURGAN MONSTEIN PLC

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Promoting the success of the Company

Section 172 Statement

The Directors have acted in the way that they considered, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole and this section forms our Section 172 disclosure, describing how, in doing so, the Directors considered the matters set out in section 172(1)(a) to (f) of the Companies Act 2006 and in doing so had regard, amongst other matters, to:

- the likely consequences of any decision in the long term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and the environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the Company.

Given the size of the Company and the nature of its limited operations, the Board of Directors remain focused on maintaining the Company's reputation which is crucial to both maintaining the current customers and suppliers along with providing job security to its employees.

Whilst the Company's operations have a minimal impact on the community and the environment as a whole, the Board of Directors are acutely aware of the issues surrounding this area and give due thought and regard to these issues when considering both current and future income streams, particularly should travel be required.

The Board of Directors continue to be mindful of exploring opportunities to expand the limited customer base, as and when these may arise.

On behalf of the board

G. R. Durgan
Director

28 June 2023

DURGAN MONSTEIN PLC

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their annual report and financial statements for the year ended 31 December 2022.

Principal activities

The principal activity of the Company continued to be that of the provision of leadership mentoring to individuals and corporate entities.

Results and dividends

The results for the year are set out on page 8.

No interim dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

G. R. Durgan

J. H. Durgan

Future developments

The Company is expected to continue to trade at similar levels during the year ending 31st December 2023.

Auditor

Kench & Co Ltd have signified their willingness to continue in office and a resolution to re-appoint them as auditors will be proposed at the forthcoming annual general meeting.

Energy and carbon report

As the company has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

G. R. Durgan

Director

28 June 2023

DURGAN MONSTEIN PLC

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors are responsible for preparing the annual 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

DURGAN MONSTEIN PLC

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF DURGAN MONSTEIN PLC

Opinion

We have audited the financial statements of Durgan Monstein PLC (the 'company') for the year ended 31 December 2022 which comprise the statement of income and retained earnings, the balance sheet, the statement of cash flows and notes to the financial statements, 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 FRS 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 December 2022 and of its profit 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 UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 18 to the financial statements, 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

DURGAN MONSTEIN PLC

INDEPENDENT AUDITOR'S REPORT (CONTINUED) **TO THE MEMBERS OF DURGAN MONSTEIN PLC**

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 strategic report or 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 remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases, the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined that the most significant are those that relate to the financial reporting framework, the Companies Act 2006 and employment law. Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above and corroborated our enquiries with management by reference to submissions and correspondence with H. M. Revenue and Customs where appropriate.

Given the size of the entity and the nature of its limited operations, we assessed the risks of material misstatements in respect of fraud and made appropriate enquiries of management and relevant related parties independently of management. We considered the risk of fraud through management override and, in response, we incorporated testing of manual journal entries and other adjustments for appropriateness into our audit approach.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

DURGAN MONSTEIN PLC

INDEPENDENT AUDITOR'S REPORT (CONTINUED) **TO THE MEMBERS OF DURGAN MONSTEIN PLC**

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.

Simon Thomas ACA (Senior Statutory Auditor)
For and on behalf of Kench & Co Ltd

28 June 2023

Chartered Accountants
Statutory Auditor

10 Station Road
Henley on Thames
Oxfordshire
RG9 1AY

DURGAN MONSTEIN PLC

STATEMENT OF INCOME AND RETAINED EARNINGS (INCLUDING PROFIT AND LOSS ACCOUNT)

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	2021 £
Turnover	3	19,000	45,000
Administrative expenses		(18,919)	(50,960)
Operating profit/(loss)		81	(5,960)
Interest receivable and similar income	7	9	-
Interest payable and similar expenses	8	(19)	(4)
Profit/(loss) before taxation		71	(5,964)
Tax on profit/(loss)	9	585	603
Profit/(loss) for the financial year		656	(5,361)
Retained earnings brought forward		3,865	9,226
Retained earnings carried forward		4,521	3,865

DURGAN MONSTEIN PLC

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Current assets					
Debtors	10	97,137		75,666	
Cash at bank and in hand		23,675		27,978	
		<u>120,812</u>		<u>103,644</u>	
Creditors: amounts falling due within one year	11	(103,791)		(87,279)	
Net current assets			17,021		16,365
Capital and reserves					
Called up share capital	13		12,500		12,500
Profit and loss reserves			4,521		3,865
Total equity			17,021		16,365

The financial statements were approved by the board of directors and authorised for issue on 28 June 2023 and are signed on its behalf by:

G. R. Durgan
Director

Company Registration No. 04288359

DURGAN MONSTEIN PLC

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

		2022		2021	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	16		(4,286)		(9,489)
Interest paid			(19)		(4)
Income taxes paid			(7)		(1,350)
			<u> </u>		<u> </u>
Net cash outflow from operating activities			(4,312)		(10,843)
Investing activities					
Interest received		9		-	
		<u> </u>		<u> </u>	
Net cash generated from/(used in) investing activities			9		-
			<u> </u>		<u> </u>
Net decrease in cash and cash equivalents			(4,303)		(10,843)
Cash and cash equivalents at beginning of year			27,978		38,821
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			<u>23,675</u>		<u>27,978</u>

DURGAN MONSTEIN PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

Durgan Monstein PLC is a public company limited by shares incorporated in England and Wales. The registered office is 10 Station Road, Henley on Thames, Oxfordshire, RG9 1AY. The business address is Fielding House, Jubilee Road, Littlewick Green, Maidenhead. SL6 3QU.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and for at least 12 months from the date of signing the Balance Sheet. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably.

1.4 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.5 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' 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.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest rate method. Financial assets classified as receivable within one year are not amortised.

DURGAN MONSTEIN PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit or loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of 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 deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors and loans from Directors, are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.6 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit or loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

DURGAN MONSTEIN PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit or loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.7 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2022	2021
	£	£
Turnover analysed by class of business		
Management consultancy	19,000	45,000
	<u> </u>	<u> </u>
	2022	2021
	£	£
Turnover analysed by geographical market		
United Kingdom	19,000	45,000
	<u> </u>	<u> </u>

DURGAN MONSTEIN PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

3 Turnover and other revenue (Continued)

	2022	2021
	£	£
Other revenue		
Interest income	9	-
	<u>9</u>	<u>-</u>

4 Auditor's remuneration

	2022	2021
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	3,895	3,895
	<u>3,895</u>	<u>3,895</u>
For other services		
Taxation compliance services	400	400
All other non-audit services	2,555	2,699
	<u>2,955</u>	<u>3,099</u>

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022	2021
	Number	Number
Directors	2	2
Administrative	1	1
	<u>3</u>	<u>3</u>
Total	<u>3</u>	<u>3</u>

Their aggregate remuneration comprised:

	2022	2021
	£	£
Wages and salaries	8,585	30,190
Social security costs	224	281
	<u>8,809</u>	<u>30,471</u>

6 Directors' remuneration

	2022	2021
	£	£
Remuneration for qualifying services	1,375	1,350
	<u>1,375</u>	<u>1,350</u>

DURGAN MONSTEIN PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

7 Interest receivable and similar income

	2022	2021
	£	£
Interest income		
Interest on bank deposits	1	-
Other interest income	8	-
	<u> </u>	<u> </u>
Total income	9	-
	<u> </u>	<u> </u>
	2022	2021
	£	£
Investment income includes the following:		
Interest on financial assets not measured at fair value through profit or loss	1	-
	<u> </u>	<u> </u>

8 Interest payable and similar expenses

	2022	2021
	£	£
Interest on financial liabilities measured at amortised cost:		
Other finance costs:		
Other interest	19	4
	<u> </u>	<u> </u>
	19	4
	<u> </u>	<u> </u>

9 Taxation

	2022	2021
	£	£
Current tax		
Adjustments in respect of prior periods	-	(603)
	<u> </u>	<u> </u>
Deferred tax		
Origination and reversal of timing differences	(585)	-
	<u> </u>	<u> </u>
Total tax credit	(585)	(603)
	<u> </u>	<u> </u>

DURGAN MONSTEIN PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

9 Taxation

(Continued)

The actual credit for the year can be reconciled to the expected charge/(credit) for the year based on the profit or loss and the standard rate of tax as follows:

	2022 £	2021 £
Profit/(loss) before taxation	71	(5,964)
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	13	(1,133)
Tax effect of expenses that are not deductible in determining taxable profit	3	570
Unutilised tax losses carried forward	21	-
Depreciation in excess of capital allowances	(37)	(40)
Deferred tax adjustments	(585)	-
Taxation credit for the year	(585)	(603)

10 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	78,115	67,315
Corporation tax recoverable	610	603
Other debtors	7,827	7,748
Prepayments and accrued income	10,000	-
	96,552	75,666
Amounts falling due after more than one year:		
Deferred tax asset (note 12)	585	-
Total debtors	97,137	75,666

DURGAN MONSTEIN PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

11 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	-	493
Taxation and social security	771	1,455
Other creditors	96,963	79,596
Accruals and deferred income	6,057	5,735
	<u>103,791</u>	<u>87,279</u>

12 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Assets 2022 £	Assets 2021 £
Balances:		
Deferred capital allowances	<u>585</u>	<u>-</u>
Movements in the year:		2022 £
Asset at 1 January 2022		-
Credit to profit or loss		(585)
Asset at 31 December 2022		<u>(585)</u>

The deferred tax asset set out above is expected to reverse after more than 12 months and relates to the utilisation of capital allowances against future expected profits of the same period.

13 Share capital

	2022 £	2021 £
Ordinary share capital		
Allotted		
500,000 Ordinary shares of 10p each	<u>50,000</u>	<u>50,000</u>
Issued and called		
500,000 Ordinary shares of 10p each on which 2.5p has been called and paid	<u>12,500</u>	<u>12,500</u>

The Company has allotted and issued 500,000 ordinary shares with a nominal value of 10p each. In accordance with Company law, 25% of each share (2.5p) has been called by the Company and paid. The remaining 75% of each share (7.5p) has not yet been called up by the Company. Accordingly, no debtor has been recognised by the Company in these accounts and this will continue to be the case until such time as the Company calls on the members for the remaining amount.

DURGAN MONSTEIN PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

14 Related party transactions

Transactions with related parties

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

At the start of the year, related parties owed the Company £69,278. During the year the Company generated sales to related parties amounting to £9,000 (2021: £45,000) net of VAT. At the year end, related parties owed the Company £80,078.

At the start of the year, the Company owed the Directors £79,596. During the year, the Directors paid expenses on behalf of the Company of £17,367 (2021: £40,379). At the 31st December 2022, the Company owed the Directors £96,963.

15 Ultimate controlling party

The ultimate controlling party is Mr G. R. Durgan, a director of the Company, by reason of his majority shareholding, for both the year ended 31st December 2022 and the prior year to 31st December 2021.

16 Cash absorbed by operations

	2022 £	2021 £
Profit/(loss) for the year after tax	656	(5,361)
Adjustments for:		
Taxation credited	(585)	(603)
Finance costs	19	4
Investment income	(9)	-
Movements in working capital:		
Increase in debtors	(20,879)	(43,868)
Increase in creditors	16,512	40,339
Cash absorbed by operations	(4,286)	(9,489)

17 Analysis of changes in net funds

	1 January 2022 £	Cash flows £	31 December 2022 £
Cash at bank and in hand	27,978	(4,303)	23,675

18 Non-audit services provided by auditor

In common with many businesses of our size and nature we use our auditor to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements including the relevant disclosures required.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.