

Company Registration No. 05333768 (England and Wales)

DAMIAN LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 SEPTEMBER 2022
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DAMIAN LIMITED**STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2022**

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	3		202,377		230,179
Current assets					
Stocks		108,998		104,291	
Debtors	4	460,855		659,241	
Cash at bank and in hand		121,943		-	
		<u>691,796</u>		<u>763,532</u>	
Creditors: amounts falling due within one year	5	<u>(98,859)</u>		<u>(184,538)</u>	
Net current assets			<u>592,937</u>		<u>578,994</u>
Total assets less current liabilities			<u>795,314</u>		<u>809,173</u>
Creditors: amounts falling due after more than one year	6		(135,861)		(175,202)
Provisions for liabilities	7		<u>(50,010)</u>		<u>(57,086)</u>
Net assets			<u><u>609,443</u></u>		<u><u>576,885</u></u>
Capital and reserves					
Called up share capital			36		36
Profit and loss reserves			<u>609,407</u>		<u>576,849</u>
Total equity			<u><u>609,443</u></u>		<u><u>576,885</u></u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 30 September 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

DAMIAN LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 30 SEPTEMBER 2022

The financial statements were approved by the board of directors and authorised for issue on 27/06/23 and are signed on its behalf by:

N Ahmad

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Dr N Ahmad

Director

DAMIAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

1 Accounting policies

Company information

Damian Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is 27 Brooklands Avenue, Broughton, DN20 0DY.

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	10% straight line
Fixtures, fittings and equipment	15% reducing balance
Computer equipment	33.3% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

DAMIAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

1 Accounting policies (Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

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 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 trade and other 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 method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

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 trade and other creditors, and bank overdraft are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

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

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

DAMIAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

1 Accounting policies (Continued)

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

DAMIAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

2 Employees

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

	2022 Number	2021 Number
Total	42	40

3 Tangible fixed assets

	Plant and machinery £	Fixtures, fittings and equipment £	Computer equipment £	Total £
Cost				
At 1 October 2021 and 30 September 2022	185,500	76,985	752	263,237
Depreciation and impairment				
At 1 October 2021	17,004	15,302	752	33,058
Depreciation charged in the year	18,550	9,252	-	27,802
At 30 September 2022	35,554	24,554	752	60,860
Carrying amount				
At 30 September 2022	149,946	52,431	-	202,377
At 30 September 2021	168,496	61,683	-	230,179

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases:

	2022 £	2021 £
Plant and machinery	149,946	168,496
Fixtures, fittings and equipment	47,905	56,359
	197,851	224,855

DAMIAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

4 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	216,257	289,510
Corporation tax recoverable	-	7,052
Other debtors	244,598	362,679
	<u>460,855</u>	<u>659,241</u>

5 Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans and overdrafts	-	9,612
Obligations under finance leases	39,341	39,341
Trade creditors	1,472	2,492
Corporation tax	32,649	42
Other taxation and social security	8,751	5,891
Other creditors	7,021	119,654
Accruals and deferred income	9,625	7,506
	<u>98,859</u>	<u>184,538</u>

Bank overdrafts of £nil (2021 - £9,612) are secured against assets of the company.

Obligations under finance leases and hire purchase contracts of £39,341 (2021 - £39,341) are secured against the assets to which they relate.

6 Creditors: amounts falling due after more than one year

	Notes	2022	2021
		£	£
Obligations under finance leases		<u>135,861</u>	<u>175,202</u>

Obligations under finance leases and hire purchase contracts of £135,861 (2021 - £175,202) are secured against the assets to which they relate.

Amounts included above which fall due after five years are as follows:

Payable by instalments	<u>-</u>	<u>28,539</u>
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DAMIAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

7 Provisions for liabilities

	2022 £	2021 £
Deferred tax liabilities	50,010	57,086

8 Financial commitments, guarantees and contingent liabilities

The Company has given a fixed and floating charge over its leasehold property as security against a related partnership.

9 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	60,982	54,143
Between one and five years	28,392	29,687
	89,374	83,830

10 Related party transactions

During the year, the company purchased goods, included within cost of sales from a related partnership totalling £1,330,946 (2021 - £1,295,988). The company also made sales to the same partnership, included within turnover totalling £285,736 (2021 - £280,795).

The partnership is deemed a related party by virtue of common directors and partners.

At the year end, the company was owed £161,117 (2021 - £167,048) by the partnership, which is included within other debtors.

11 Directors' transactions

Dividends totalling £116,000 (2021 - £72,000) were paid in the year in respect of shares held by the company's directors.

During the year, the directors of the company were advanced £163,635 (2021 - £140,000) and made repayments of £280,441 (2021 - £nil). Interest at 2% per annum is charged on the balance. Interest of £773 (2021 - £523) was charged in the year. At the year end, the balance owed to the company was £14,490 (2021 - £130,523).