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Registered number: SC220455

# **GLENFIELD VALVES LIMITED**

## **DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2013**

TUESDAY



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COMPANIES HOUSE

## **GLENFIELD VALVES LIMITED**

### **COMPANY INFORMATION**

<b>Directors</b>	Hans Bo Johansen Niels Aage Kjaer John Paul Hubbard Lars Kudsk Hans Bo Stubkier Fred Stafford
<b>Registered number</b>	SC220455
<b>Registered office</b>	Glenfield Works Queens Drive Kilmarnock Ayrshire KA1 3XF
<b>Auditor</b>	BDO LLP 4 Atlantic Quay 70 York Street Glasgow G2 8JX
<b>Bankers</b>	Bank of Scotland 46 Bank Street Kilmarnock KA1 1EX  Nordea Bank Finland plc City Place House 55 Basinghall Street London EC2V 5NB
<b>Solicitors</b>	Biggart Baillie LLP Dalmore House 310 St Vincent Street Glasgow G2 5QR

# GLENFIELD VALVES LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2013

The directors present their report and the financial statements for the year ended 30 September 2013.

### Principal activities

The principal activity of the company during the year was that of the manufacture of valves.

### Directors

The directors who served during the year were:

Hans Bo Johansen  
Niels Aage Kjaer  
Hans Bo Stubkier  
John Paul Hubbard  
Lars Kudsk  
Jon Badrock (resigned 26th July 2013)  
Fred Stafford (appointed date 22 July 2013)

### Review of the business

Glenfield Valves Ltd utilise a variety of KPI's to manage the business, the top level KPI's show the following:

Operating profit	A loss of £1,049,000 from a loss of £363,000 last year
Earnings (as reported internally for group purposes)	A loss of £789,000 from a loss of £311,000 last year
Stock	A decrease from £2,822,000 to £1,029,000

The fall in operating profit and internally defined earnings was due to having little to no orders after completion of the MEW79 contract. We have now installed project specialists in various regions around the world so we can gain more orders.

The stock decrease was mainly due to the lack of orders following the completion of the MEW79 contract. In August of this year we implemented a strategy to reduce stock further over the coming year.

### Results

The loss for the year after taxation amounted to £1,100,071 (2012: £391,282).

### Future Developments

	2013/14	2014/15
Net Sales exc Growth (£k)	4,408	6,500

In addition to the above mentioned initiatives air valves and ball float valves will be actively promoted via the Glenfield Valves Ltd price lists, web-site and updated marketing literature. In certain international markets such as the Middle East only Glenfield Valves Ltd approved product or UK certificate of origin (C.O.O) items are accepted and this requirement will be promoted and supported by a supply chain and production facility to cater for these customer requirements.

Core Regions;

United Kingdom. Middle East, Malaysia, India, Australia, South Africa and America.

Glenfield Valves Ltd have installed above product specialist in six of the above seven countries so we can achieve more and bigger orders.

## **GLENFIELD VALVES LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2013**

Growth Regions;

Saudi Arabia, Brazil, Israel, Hong Kong, Singapore, Vietnam and Thailand.

Glenfield Valves Ltd have sales offices in the above seven countries and if required a Product specialist will be sent to advise the various customers/consultants of Glenfield Valves Ltd's product range.

Sales Forecast;

In this coming financial year we are forecasting order intake of £5,954,000 and a net turnover of £4,408,000. By the year to 2015 we will be making a small profit.

#### **Principal risks and uncertainties**

The principal risk facing Glenfield Valves Ltd is the global economic downturn. Going forward, it is possible that large capital projects (GVL's main business) will continue to be significantly affected by the current economic downturn. However, a realistic view of the prospects has been taken during the budget process to mitigate this effect and with the implementation of 5 Project Managers situated in a strategic location around the world will assist in gaining orders. The business is sensitive to exchange rates, each project is reviewed prior to quotation and contract acceptance and where appropriate forward rates are secured

#### **Research and development activities**

In the year we have developed a new range of Automatic Control Valves (ACV) which enhanced the Glenfield portfolio and generated organic growth in sales. Valve engineering of the submerged and free discharge range continues along with the introduction of the AWWA specifications and WRAS approvals for large diameter gate valves.

#### **Auditors**

PKF (UK) LLP have merged their business into BDO LLP and accordingly have signed their auditors' report in the name of the merged firm.

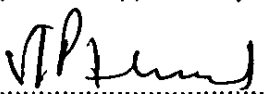
#### **Provision of information to auditor**

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 13 December 2013 and signed on its behalf.

  
.....  
Director J P HUBBARD

## **GLENFIELD VALVES LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

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 judgments and accounting estimates that are reasonable and prudent; and
- 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, to disclose with reasonable accuracy at any time the financial position of the company and to 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.

## **GLENFIELD VALVES LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLENFIELD VALVES LIMITED**

We have audited the financial statements of Glenfield Valves Limited for the year ended 30 September 2013 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (United Kingdom Generally Accepted Accounting Practice Applicable to Smaller Entities).

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.

#### **Respective responsibilities of directors and auditor**

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2013 and of its loss 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.

#### **Emphasis of matter**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 1.2 to the financial statements concerning the company's ability to continue as a going concern.

The company incurred a net loss of £1,100,071 during the year ended 30 September 2013 and, at that date, the company's liabilities exceeded its assets by £2,081,495 and it had net current liabilities of £2,867,990. The company is therefore dependent on the continued financial support of its bankers, its parent company and other group companies.

These conditions, along with the other matter explained in note 1.2 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## GLENFIELD VALVES LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLENFIELD VALVES LIMITED

#### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report.

*BDO LLP*

*17 December 2013*

**Martin Gill** (Senior statutory auditor)  
for and on behalf of BDO LLP, Statutory auditor  
Glasgow  
United Kingdom

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**GLENFIELD VALVES LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30 SEPTEMBER 2013**

	Note	2013 £	2012 £
<b>TURNOVER</b>	1, 2	<b>5,908,320</b>	9,175,598
Cost of sales		<u>(4,941,202)</u>	<u>(7,797,667)</u>
<b>GROSS PROFIT</b>	4	<b>967,118</b>	1,377,931
Selling and distribution costs		<b>(513,064)</b>	(376,822)
Administrative expenses		<b>(1,540,064)</b>	(1,399,548)
Other operating income	3	<u><b>37,224</b></u>	<u>35,632</u>
<b>OPERATING LOSS</b>	4	<b>(1,048,786)</b>	(362,807)
Interest receivable and similar income	7	-	26,580
Interest payable and similar charges	8	<u><b>(180,285)</b></u>	<u>(75,540)</u>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>(1,229,071)</b>	(411,767)
Tax on loss on ordinary activities	9	<u><b>129,000</b></u>	<u>20,485</u>
<b>LOSS FOR THE FINANCIAL YEAR</b>		<u><b>(1,100,071)</b></u>	<u><b>(391,282)</b></u>

The notes on pages 8 to 16 form part of these financial statements.

**GLENFIELD VALVES LIMITED**  
**REGISTERED NUMBER: SC220455**


**BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2013**

	Note	£	2013 £	£	2012 £
<b>FIXED ASSETS</b>					
Intangible assets	10		<b>108,187</b>		117,701
Tangible assets	11		<b>852,166</b>		1,071,095
			<u><b>960,353</b></u>		<u>1,188,796</u>
<b>CURRENT ASSETS</b>					
Stocks	12	<b>1,028,911</b>		2,822,177	
Debtors	13	<b>1,791,431</b>		5,476,885	
Cash at bank and in hand		<b>32,655</b>		141,814	
		<u><b>2,852,997</b></u>		<u>8,440,876</u>	
<b>CREDITORS:</b> amounts falling due within one year	14	<u><b>(5,720,987)</b></u>		<u>(10,264,251)</u>	
<b>NET CURRENT LIABILITIES</b>			<u><b>(2,867,990)</b></u>		<u>(1,823,375)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u><b>(1,907,637)</b></u>		<u>(634,579)</u>
<b>PROVISIONS FOR LIABILITIES</b>					
Other provisions	15		<u><b>(173,858)</b></u>		<u>(346,845)</u>
<b>NET LIABILITIES</b>			<u><u><b>(2,081,495)</b></u></u>		<u><u>(981,424)</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	16		<b>7,200,000</b>		7,200,000
Profit and loss account	17		<u><b>(9,281,495)</b></u>		<u>(8,181,424)</u>
<b>SHAREHOLDERS' DEFICIT</b>			<u><u><b>(2,081,495)</b></u></u>		<u><u>(981,424)</u></u>

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

*13 December 2013*

  
 .....  
 Director **JP HUBBARD**

The notes on pages 8 to 16 form part of these financial statements.

## **GLENFIELD VALVES LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2013**

#### **1. ACCOUNTING POLICIES**

##### **1.1 Fundamental accounting concept and basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

##### **1.2 Going concern**

At the balance sheet date the company's liabilities exceeded its assets by £2,081,495 (2012 - £981,424) and it had net current liabilities of £2,867,990 (2012 - £1,823,375) and owed £4,277,845 (2012 - £8,004,598) to its bankers and £735,271 (2012 - £1,192,092) to the parent undertaking and other group companies.

The company's ability to continue normal trading operations is dependent on the continued financial support of its bankers, the parent company and other group companies which allow the company to meet its obligations as they fall due. The directors of the parent company review the position on an annual basis and have confirmed that the parent company will provide ongoing financial support for a period of at least twelve months from the date of approval of these financial statements.

The directors have considered the material uncertainty concerning the availability of ongoing financial support required from the company's bankers, the parent company and other group companies, which may cast significant doubt over the company's ability to continue as a going concern. They are satisfied over the validity of this financial support and accordingly believe that the going concern basis continues to be appropriate. These financial statements have therefore been prepared on the going concern basis and do not include any adjustments that would arise from the withdrawal of this financial support.

##### **1.3 Cash flow**

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

##### **1.4 Turnover**

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts. Turnover is recognised when goods have been despatched or a vesting certificate over goods is supplied by the customer, or when a service is rendered.

##### **1.5 Intangible fixed assets and amortisation**

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life.

##### **1.6 Development expenditure**

Development costs are capitalised within intangible assets where they can be identified with a specific product or project anticipated to produce future benefits, and are amortised on the straight line basis over the anticipated life of the benefits arising from the completed product or project of five years. No amortisation is provided until a project is completed.

Deferred development costs are reviewed annually, and where future benefits are deemed to have ceased or to be in doubt, the balance of any related expenditure is written off to the profit and loss account.

## **GLENFIELD VALVES LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2013**

#### **1. ACCOUNTING POLICIES (continued)**

##### **1.7 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Tenants' improvements	-	20% straight line
Plant & machinery	-	10-20% straight line
Fixtures & fittings	-	20% straight line

##### **1.8 Operating leases**

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

##### **1.9 Stocks and work in progress**

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost is determined on a first in first out basis. Net realisable value is based on estimated selling price allowing for all further costs of completion and disposal. Goods in transit are included in the company's stocks when they leave the suppliers' premises as the risks and benefits of ownership transfer to Glenfield Valves Limited at that time.

##### **1.10 Deferred taxation**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse and are not discounted.

##### **1.11 Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account, within interest.

##### **1.12 Government grants**

Government grants relating to tangible fixed assets are treated as deferred income and released to the profit and loss account over the expected useful lives of the assets concerned. Other grants are credited to the profit and loss account as the related expenditure is incurred.

# GLENFIELD VALVES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2013

### 1. ACCOUNTING POLICIES (continued)

#### 1.13 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

### 2. TURNOVER

88.7% of the company's turnover (2012 - 88.2%) is attributable to geographical markets outside the United Kingdom.

### 3. OTHER OPERATING INCOME

	2013 £	2012 £
Rents receivable	33,600	33,600
Commissions receivable	3,624	2,032
	<u>37,224</u>	<u>35,632</u>

### 4. OPERATING LOSS

The operating loss is stated after charging/(crediting):

	2013 £	2012 £
Amortisation of intangible assets	40,636	61,792
Depreciation of tangible fixed assets:		
- owned by the company	258,094	256,924
Auditor's remuneration	17,575	18,500
Pension costs	22,445	17,771
Research expenditure	59,037	62,086
Profit on sale of intangible assets	-	(50,121)
	<u>          </u>	<u>          </u>

# GLENFIELD VALVES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2013

### 5. STAFF COSTS

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

	2013 £	2012 £
Wages and salaries	1,181,422	1,381,977
Social security costs	109,036	124,932
Other pension costs	22,445	17,771
	<u>1,312,903</u>	<u>1,524,680</u>

Included in wages and salaries are redundancy costs of £123,761 (2012 - Nil).

The average monthly number of employees, including the executive directors, during the year was as follows:

	2013 No.	2012 No.
Directors	1	2
Administration	2	6
Production	36	43
	<u>39</u>	<u>51</u>

### 6. DIRECTORS' REMUNERATION

	2013 £	2012 £
Aggregate emoluments	<u>151,709</u>	<u>109,134</u>

During the year retirement benefits were accruing to 1 director (2012 - 1) in respect of defined contribution pension schemes.

### 7. INTEREST RECEIVABLE

	2013 £	2012 £
Foreign exchange gain	-	26,246
Bank interest receivable	-	334
	<u>-</u>	<u>26,580</u>

# GLENFIELD VALVES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2013

### 8. INTEREST PAYABLE

	2013 £	2012 £
On bank loans and overdrafts	117,762	72,518
On loans from group undertakings	-	3,022
Foreign exchange loss	62,523	-
	<u>180,285</u>	<u>75,540</u>

### 9. TAXATION

	2013 £	2012 £
<b>Analysis of tax credit in the year</b>		
UK corporation tax (credit)/charge on loss for the year	(129,000)	-
Adjustments in respect of prior periods	-	(20,485)
	<u>(129,000)</u>	<u>(20,485)</u>

#### Tax on loss on ordinary activities

There is a potential deferred tax amount in respect of losses available and set off against future taxable profits of £92,000 (2012 - £50,000). In line with accounting standards this amount is not incorporated into the financial statements. There were no factors that may affect future tax charges.

#### Factors affecting tax charge for the year

The tax assessed for the year is the same as (2012 - lower than) the standard rate of corporation tax in the UK of 23% (2012 - 25%). The differences are explained below:

	2013 £	2012 £
Loss on ordinary activities before tax	<u>(1,229,071)</u>	<u>(411,767)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 23% (2012 - 25%)	(282,815)	(102,942)
<b>Effects of:</b>		
Non-tax deductible amortisation of goodwill and impairment	2,596	15,448
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	1,943	1,232
Depreciation in excess of capital allowances	59,362	62,179
Adjustments to tax charge in respect of prior periods	-	(20,485)
Non-taxable income	-	6,751
Utilisation of tax losses and other deductions	108,882	-
Unrelieved tax losses carried forward	129,069	-
Other differences leading to an increase/(decrease) in the tax charge	-	17,332
Group relief - surrendered	(148,037)	-
<b>Current tax credit for the year (see note above)</b>	<u>(129,000)</u>	<u>(20,485)</u>

**GLENFIELD VALVES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2013**

**10. INTANGIBLE FIXED ASSETS**

	Development expenditure £	Goodwill £	Total £
<b>Cost</b>			
At 1 October 2012	195,494	91,774	287,268
Additions	31,122	-	31,122
At 30 September 2013	<u>226,616</u>	<u>91,774</u>	<u>318,390</u>
<b>Amortisation</b>			
At 1 October 2012	77,793	91,774	169,567
Charge for the year	40,636	-	40,636
At 30 September 2013	<u>118,429</u>	<u>91,774</u>	<u>210,203</u>
<b>Net book value</b>			
At 30 September 2013	<u>108,187</u>	<u>-</u>	<u>108,187</u>
At 30 September 2012	<u>117,701</u>	<u>-</u>	<u>117,701</u>

**11. TANGIBLE FIXED ASSETS**

	Tenant's improvements £	Plant & machinery £	Fixtures & fittings £	Total £
<b>Cost</b>				
At 1 October 2012	151,323	3,322,445	535,285	4,009,053
Additions	-	39,165	-	39,165
Transfer between classes	-	280,004	(280,004)	-
At 30 September 2013	<u>151,323</u>	<u>3,641,614</u>	<u>255,281</u>	<u>4,048,218</u>
<b>Depreciation</b>				
At 1 October 2012	61,647	2,651,670	224,641	2,937,958
Charge for the year	30,265	203,764	24,065	258,094
At 30 September 2013	<u>91,912</u>	<u>2,855,434</u>	<u>248,706</u>	<u>3,196,052</u>
<b>Net book value</b>				
At 30 September 2013	<u>59,411</u>	<u>786,180</u>	<u>6,575</u>	<u>852,166</u>
At 30 September 2012	<u>89,676</u>	<u>670,775</u>	<u>310,644</u>	<u>1,071,095</u>

# GLENFIELD VALVES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2013

### 12. STOCKS

	2013 £	2012 £
Raw materials	477,661	1,797,844
Work in progress	70,517	224,113
Finished goods and goods for resale	480,733	800,220
	<u>1,028,911</u>	<u>2,822,177</u>

### 13. DEBTORS

	2013 £	2012 £
<b>Due after more than one year</b>		
Amounts owed by group undertakings	-	11,992
<b>Due within one year</b>		
Trade debtors	1,178,475	4,603,151
Amounts owed by group undertakings	399,070	407,106
Other debtors	213,886	454,636
	<u>1,791,431</u>	<u>5,476,885</u>

### 14. CREDITORS: Amounts falling due within one year

	2013 £	2012 £
Bank overdraft	4,277,845	8,004,598
Trade creditors	129,723	575,306
Amounts owed to group undertakings	735,271	1,192,092
Social security and other taxes	-	46,965
Other creditors	578,148	445,290
	<u>5,720,987</u>	<u>10,264,251</u>

The bank overdraft is guaranteed by AVK Holdings A/S, the company's parent undertaking.

# GLENFIELD VALVES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2013

### 15. OTHER PROVISIONS

	Warranty provisions £
At 1 October 2012	346,845
Amounts used	(172,987)
At 30 September 2013	<u>173,858</u>

#### Warranty provisions

Provisions relate to the cost of work to be carried out under warranties to remedy faulty valves which have been sold. This work is likely to be carried out between 12 to 24 months from the balance sheet date.

### 16. SHARE CAPITAL

	2013 £	2012 £
<b>Allotted, called up and fully paid</b>		
7,200,000 Ordinary shares of £1 each	<u>7,200,000</u>	<u>7,200,000</u>

### 17. RESERVES

	Profit and loss account £
At 1 October 2012	(8,181,424)
Loss for the year	(1,100,071)
At 30 September 2013	<u>(9,281,495)</u>

### 18. CONTINGENT LIABILITIES

At 30 September 2013 there were contingent liabilities of £100,000 (2012 - £100,000) in respect of a bond relating to HM Revenue & Customs and delivery bonds relating to a customer of £892,900 (2012 - £892,900).

### 19. PENSIONS

The company contributes to defined pension contribution schemes on behalf of certain employees. The schemes are held in separately identifiable funds are administered independently of the company.

Contributions by the company to the schemes during the year amounted to £22,445 (2012 - £13,063).

**GLENFIELD VALVES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2013**

**20. OPERATING LEASE COMMITMENTS**

At 30 September 2013 the company had annual commitments under non-cancellable operating leases as follows:

	2013 £	2012 £
<b>Expiry date:</b>		
Between 2 and 5 years	<u>13,463</u>	<u>18,441</u>

**21. RELATED PARTY TRANSACTIONS**

The company has taken advantage of the exemptions set out in paragraph 3 of Financial Reporting Standard Number 8: Related Parties. Accordingly, transactions between group companies are not disclosed.

**22. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The company is controlled by AVK Holdings A/S.

The parent undertaking of the smallest group for which consolidated accounts are prepared is AVK Holdings A/S, a company incorporated in Denmark. Consolidated accounts are available from Erhvervs - og Selskabsstyrelsen, Kampmannsgade 1, 1780 København, Denmark.

The parent undertaking of the largest group for which consolidated accounts are prepared is ASX 14, 145 ApS, a company incorporated in Denmark. Consolidated accounts are available from the above address. In the opinion of the directors this is the company's ultimate parent company. ASX 14,145 ApS is ultimately controlled by N A Kjaer.