Glenfield Valves Limited

Annual report and financial statements
for the year ended 30 September 2017

Registered number: SC220455

Glenfield Valves Limited

Contents

Glenfield Valves Limited

Directors' report

The directors present their annual report and audited financial statements for the year ended 30 September 2017. The Directors' report has been prepared in accordance with the special provisions relating to small companies under Section 415A of the Companies Act 2006.

The Company has availed of the small companies' exemption under Section 414B of the Companies Act 2006 from providing a Strategic Report.

Principal activities

The Company principal activity is the manufacture and sale (including rendering of services) of taps and valves for the water, sewage, firefighting and gas industries.

Directors

The directors, who served throughout the year and up to the date of this report except as noted, were as follows:

J. P. Hubbard
L. Kudsk
J. Stasch
P. Boyden

Directors' indemnities

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Going concern

The company has the committed support of its parent company together with good relationships with its customers and suppliers. As a result of the above, taking into consideration the letter of support from group and having reviewed forecasts for the next 12 months the directors do not believe that there are any material uncertainties which cast significant doubt on the ability of the company to continue as a going concern.

Auditor

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

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have been deemed re-appointed under section 487 of the Companies Act 2006.

Glenfield Valves Limited

Directors' report (continued)

Approved by the Board and signed on its behalf by:

P. Boyden
Director
Date: 8/5/18.

Registered office:
Glenfield Valves Limited
Lifeways House
Shaw Road
Prestwick
Ayrshire
Scotland
KA9 2LP

Directors' responsibilities statement

The directors are responsible for preparing the annual report and the audited 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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; 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 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.

Glenfield Valves Limited

Independent auditor's report to the members of Glenfield Valves Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Glenfield Valves Limited (the 'company') which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 16.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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 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

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Independent auditor's report to the members of Glenfield Valves Limited (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 respect of these matters.

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.

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

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.

Independent auditor's report to the members of Glenfield Valves Limited (continued)

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

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

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 any material misstatements in the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

Joanna Waring

Joanna Waring (FCA) (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Nottingham, United Kingdom

Date: 14 May 2018

Glenfield Valves Limited

Profit and loss account
For the year ended 30 September 2017

	Note	2017 £	2016 £
Turnover	3	1,873,887	683,423
Cost of sales		(1,261,500)	(398,149)
Gross profit		612,387	285,274
Distribution gains		1,561	3,918
Administrative expenses		(618,506)	(673,480)
Operating loss		(4,558)	(384,288)
Finance costs	4	(411)	(33,501)
Loss before taxation	5	(4,969)	(417,789)
Tax	6	22,016	110,400
Profit/(loss) for the financial year attributable to the equity shareholders of the Company		17,047	(307,389)

All amounts relate to continuing activities.

There are no gains or losses other than the loss attributable to the shareholders of the company of £17,047 for the year ended 30 September 2017 (2016 – loss of £307,389) and no Statement of comprehensive income has been prepared accordingly.

Glenfield Valves Limited

Balance sheet
As at 30 September 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	7	2,577	4,204
Tangible assets	8	18,117	27,983
		20,694	32,187
Current assets			
Stocks	9	59,656	4,902
Debtors	10	1,442,088	694,076
Cash at bank and in hand		26,599	483,667
Total current assets		1,528,343	1,182,645
Creditors: amounts falling due within one year	11	(1,163,511)	(848,665)
Net current assets		364,832	333,980
Total assets less current liabilities		385,526	366,167
Provisions for liabilities	12	(20,000)	(17,688)
Net assets		365,526	348,479
Capital and reserves			
Called-up share capital	13	200,000	200,000
Profit and loss account	13	165,526	148,479
Shareholders' Funds		365,526	348,479

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements have been prepared in accordance with the provisions of Section 1A of FRS 102.

The financial statements of Glenfield Valves Limited (registered number SC220455) were approved by the board of directors and authorised for issue on: 8 May 2018

Date:

They were signed on its behalf by:

P. Boyden
Director

Glenfield Valves Limited

Statement of changes in equity
As at 30 September 2017

	Called-up share capital £	Profit and loss account £	Total £
At 1 October 2015	7,200,000	(11,044,132)	(3,844,132)
Loss for the financial year	-	(307,389)	(307,389)
Issue of share capital	4,500,000	-	4,500,000
Capital reduction*	(11,500,000)	11,500,000	-
Total comprehensive income	(7,000,000)	11,192,611	4,192,611
At 30 September 2016	200,000	148,479	348,479
Profit for the financial year	-	17,047	17,047
Total comprehensive income	-	17,047	17,047
At 30 September 2017	200,000	165,526	365,526

* During the prior year on 5 April 2016 the issued share capital of the company reduced from £11,700,000 to £200,000 by cancelling and extinguishing 11,500,000 issued and fully paid ordinary shares of £1 each.

Notes to the financial statements
For the year ended 30 September 2017

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

a. General information and basis of accounting

Glenfield Valves Limited is a company incorporated in the United Kingdom under the Companies Act, 2006.

The Company is a private Company limited by shares and is registered in Scotland. The address of the registered office is given on page 1.

The average monthly number of employees (including executive directors) was 6 (2016 - 7).

The financial statements have been prepared under the historical cost convention, and in accordance with Section 1A of Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council.

The company meets the definition of a qualifying entity under Section 1A of FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. The company is consolidated in the financial statements of its parent, AVK Holding A/S, which may be obtained at Erhvervsstyrelsen, Langelinie Allé 17, 2100 København Ø, Denmark. Exemptions have been taken in these separate company financial statements in relation to financial instruments, presentation of a cash flow statement, remuneration of key management personnel and related party disclosures.

b. Going concern

The company has the committed support of its parent company together with good relationships with its customers and suppliers. As a result of the above, taking into consideration the letter of support from group and having reviewed forecasts for the next 12 months the directors do not believe that there are any material uncertainties which cast significant doubt on the ability of the company to continue as a going concern.

c. Intangible assets

Intangible fixed assets are stated at cost or valuation, net of amortisation and any provision for impairment. Amortisation is provided on all intangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Computer Software	- 3 years

d. Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Motor vehicles	- 4 years
Fixtures and fittings	- 3 years

e. Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Cost includes materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity. Provision is made for obsolete, slow-moving or defective items where appropriate.

Notes to the financial statements (continued)
For the year ended 30 September 2017

1. Accounting policies (continued)

f. Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Financial assets.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

g. Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, 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 is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to non-depreciable property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset. In other cases, the measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is recognised in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

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

Notes to the financial statements (continued)
For the year ended 30 September 2017

1. Accounting policies (continued)

g. Taxation (continued)

Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

h. Turnover

Turnover comprises of revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Revenue relating to the sale of goods is recognised when the goods are delivered.

i. Employee benefits

The Company operates a defined contribution scheme. The amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are included as either accruals or prepayments in the balance sheet.

j. Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Exchange differences are recognised in profit or loss in the period in which they arise except for exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income.

k. Leases

The Company as lessee

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

l. Provisions

In accordance with FRS 102 section 21 Provisions and Contingencies, provision is made to recognise expected future costs incurred under warranty claims for products sold before the balance sheet date.

m. Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

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 Group after deducting all of its liabilities.

Notes to the financial statements (continued)
For the year ended 30 September 2017

1. Accounting policies (continued)

m. Financial instruments (continued)

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Group transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Group, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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. There are no critical accounting judgements.

Stock provisioning is an estimation uncertainty. When calculating the stock provision the company adheres to the group accounting policy of 50% write down if stock days exceed two years.

3. Turnover

Turnover arises from the company's principal activity i.e. sale of goods and services in the UK and overseas.

4. Finance costs

	2017	2016
	£	£
Interest payable and similar expenses	411	33,501

Notes to the financial statements (continued)
For the year ended 30 September 2017

5. Loss before taxation

Loss before taxation is stated after charging:

	2017 £	2016 £
Amortisation of intangible assets	1,627	678
Depreciation of tangible fixed assets	9,866	9,866
Pension Costs	28,517	25,764
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	6,000	6,000
Fees payable to the Company's auditor in relation to tax services	5,000	5,000
Operating lease charges	20,000	20,000
Cost of stock recognised as an expense	1,261,500	398,106

Notes to the financial statements (continued)
For the year ended 30 September 2017

6. Taxation

The tax charge comprises:

	2017 £	2016 £
Current tax on loss		
UK corporation tax	(21,750)	(108,744)
Adjustments in respect of prior years		
UK corporation tax	(266)	(1,656)
Total current tax	(22,016)	(110,400)
Total tax on loss	(22,016)	(110,400)

The difference between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the loss before tax is as follows:

	2017 £	2016 £
Loss before tax	(4,969)	(417,789)
Tax on loss at standard UK corporation tax rate of 19.5% (2016 - 20%)	(969)	(83,558)
Effects of:		
- Expenses not deductible for tax purposes	420	988
- Movement in unrecognised deferred tax	(21,201)	(26,174)
- Adjustments to tax charge in respect of previous years	(266)	(1,656)
Total tax credit for year	(22,016)	(110,400)

The standard rate of tax applied is 19.5% (2016 - 20%).

There is no expiry date on timing differences, unused tax losses or tax credits.

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015.

An additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly and reduce the deferred tax. The deferred tax asset/liability at 30 September 2017 has been calculated based on these rates.

There is an unprovided deferred tax of £257,574 (2016 – £257,574). Of the total £161,094 (2016 - £161,094) is in relation to capital and trading losses, £93,232 (2016 – £93,232) is towards depreciation in excess of capital allowances and £3,248 (2016 – £3,248) is towards unrelieved foreign tax.

Notes to the financial statements (continued)
For the year ended 30 September 2017

7. Intangible fixed assets

	£
Cost	
At 1 October 2016 and 30 September 2017	4,882
Amortisation	
At 1 October 2016	678
Charge for the year	1,627
At 30 September 2017	2,305
Net book value	
At 30 September 2017	2,577
At 30 September 2016	4,204

8. Tangible fixed assets

	Motor vehicles £	Fixtures & fittings £	Total £
Cost			
At 1 October 2016 and 30 September 2017	33,925	4,155	38,080
Depreciation			
At 1 October 2016	8,481	1,616	10,097
Charge for the year	8,481	1,385	9,866
At 30 September 2017	16,962	3,001	19,963
Net book value			
At 30 September 2017	16,963	1,154	18,117
At 30 September 2016	25,444	2,539	27,983

9. Stocks

	2017 £	2016 £
Stocks	59,656	4,902

Notes to the financial statements (continued)
For the year ended 30 September 2017

10. Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	477,369	79,262
Amounts owed by group undertakings	599,461	224,591
Other debtors	3,395	33,954
Group relief receivable from other group undertakings	361,863	356,269
Total debtors	1,442,088	694,076

11. Creditors: amounts falling due within one year

	2017 £	2016 £
Bank overdrafts	348,362	623
Trade creditors	87,322	161,249
Amounts owed to parent company*	1,680	1,711
Amounts owed to group undertakings	607,847	570,475
Other taxation and social security	41,389	23,512
Other creditors*	76,911	91,095
	1,163,511	848,665

Bank overdrafts are secured by way of a guarantee from the company's holding company, AVK Holding A/S.

* Prior year numbers have been reclassified to conform to current year groupings.

12. Provisions for liabilities

	2017 £	2016 £
Warranty provisions	20,000	17,688
	20,000	17,688

13. Called-up share capital and reserves

Allotted, called up and fully paid; ordinary shares of £1	No.	£
At 1 October 2016	200,000	200,000
At 30 September 2017	200,000	200,000

The Company's other reserves are as follows:

The profit and loss reserve represents cumulative profits or losses net of dividends paid and other adjustments.

Notes to the financial statements (continued)
For the year ended 30 September 2017

14. Financial commitments

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

	2017	2016
	£	£
- within one year	20,000	20,000
- between one and five years	45,000	65,000
	65,000	85,000

15. Guarantees

The company holds a VAT guarantee of £100,000 (2016: £100,000) with its bank Nordea, which matures on 9 June 2018.

The company is party to a cash pool agreement. Under the terms of this agreement, the participants (being group companies) in the cash pooling agreement provide cross guarantees in favour of the bank.

AVK Holding A/S, also provide a guarantee and indemnity to cover Glenfield Valves Limited facilities.

16. Controlling party

The company is controlled by AVK Holding A/S. The company's immediate parent is Aage V Kjaers Maskinf Abrik A/S.

The parent undertaking of the smallest group for which consolidated financial statements are prepared is AVK Holding A/S, a company incorporated in Denmark. Consolidated financial statements are available from Erhvervsstyrelsen, Langelinie Allé 17, 2100 København Ø, Denmark.

The parent undertaking of the largest group for which consolidated financial statements are prepared is Anpartsselskabet ASX af 28. August 2014, a company incorporated in Denmark. Consolidated financial statements are available from the above address. In the opinion of the directors this is the company's ultimate parent company. Anpartsselskabet ASX af 28. August 2014 is ultimately controlled by N A Kjaer.