

**Company registration number: 07770769**

**DMD Direct Limited**

**Unaudited filleted financial statements**

**31 December 2019**

# **DMD Direct Limited**

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## **DMD Direct Limited**

### **Directors and other information**

<b>Directors</b>	Mr G. M. Craven
<b>Company number</b>	07770769
<b>Registered office</b>	Unit 3, Langham Industrial Park Mansfield Road Corbriggs Chesterfield, Derbyshire S41 0GG
<b>Business address</b>	Unit 3, Langham Industrial Park Mansfield Road Corbriggs Chesterfield, Derbyshire S41 0GG
<b>Accountants</b>	Henry Bramall & Co Limited Unit 8 Acorn Business Park Woodseats Close Sheffield S8 0TB

**Bankers**

National Westminster Bank  
Chesterfield Branch  
5 Market Place  
Chesterfield  
S40 1TW

## **DMD Direct Limited**

### **Report to the board of directors on the preparation of the unaudited statutory financial statements of DMD Direct Limited Year ended 31 December 2019**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of DMD Direct Limited for the year ended 31 December 2019 which comprise the statement of financial position and related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Association of Chartered Certified Accountants , we are subject to its ethical and other professional requirements which are detailed at <http://www.accaglobal.com/en/member/professional-standards/rules-standards/acca-rulebook.html>.

This report is made solely to the board of directors of DMD Direct Limited, as a body, in accordance with the terms of our engagement letter dated 14 February 2017. Our work has been undertaken solely to prepare for your approval the financial statements of DMD Direct Limited and state those matters that we have agreed to state to the board of directors of DMD Direct Limited as a body, in this report in accordance with the requirements of the Association of Chartered Certified Accountants as detailed at [http://www.accaglobal.com/content/dam/ACCA\\_Global/Technical/fact/technical-factsheet-163.pdf](http://www.accaglobal.com/content/dam/ACCA_Global/Technical/fact/technical-factsheet-163.pdf). To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than DMD Direct Limited and its board of directors as a body for our work or for this report.

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

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

Henry Bramall & Co Limited

Chartered Certified Accountants

Unit 8 Acorn Business Park

Woodseats Close

Sheffield

S8 0TB

6 March 2020

# DMD Direct Limited

## Statement of financial position

31 December 2019

	Note	2019 £	£	2018 £	£
<b>Current assets</b>					
Stocks		-		18,801	
Debtors	6	9,647		22,279	
Cash at bank and in hand		7,482		10,934	
		<u>17,129</u>		<u>52,014</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>( 36,203)</u>		<u>( 72,395)</u>	
<b>Net current liabilities</b>			<b>( 19,074)</b>		<b>( 20,381)</b>
<b>Total assets less current liabilities</b>			<b>( 19,074)</b>		<b>( 20,381)</b>
<b>Creditors: amounts falling due after more than one year</b>	8		-		( 101,302)
<b>Net liabilities</b>			<b>( 19,074)</b>		<b>( 121,683)</b>
<b>Capital and reserves</b>					
Called up share capital			100		100
Profit and loss account			( 19,174)		( 121,783)
<b>Shareholders deficit</b>			<b>( 19,074)</b>		<b>( 121,683)</b>

For the year ending 31 December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors responsibilities:

- 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 Act 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 and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 06 March 2020 , and are signed on behalf of the board by:

Mr G. M. Craven

Director

Company registration number: 07770769

# **DMD Direct Limited**

## **Notes to the financial statements**

**Year ended 31 December 2019**

### **1. General information**

The company is a private company limited by shares, registered in England & Wales. The address of the registered office is Unit 3, Langham Industrial Park, Mansfield Road, Corbriggs, Chesterfield, Derbyshire, S41 0GG.

### **2. Statement of compliance**

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. The Triennial review 2017 amendments to the standard have been early adopted.

### **3. Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### **Going concern**

Despite having a negative balance sheet, the director considers these accounts should be prepared on a going concern. The total assets less total liabilities equates to a loss amounting to £19,174 (2018: £121,783). However, the largest creditor is the parent company as disclosed in the related party note. This parent company has given assurances that it will maintain its support for the following twelve months.

#### **Turnover**

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

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

#### **Taxation**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

## **Tangible assets**

tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

## **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fittings fixtures and equipment	-	20 %
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If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

## **Impairment**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

## **Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition.

## **Financial instruments**

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

#### 4. Employee numbers

The average number of persons employed by the company during the year amounted to 2 (2018: 2 ).

#### 5. Tangible assets

	Fixtures, fittings and equipment £	Total £
<b>Cost</b>		
At 1 January 2019	393	393
Disposals	( 393)	( 393)
	<hr/>	<hr/>
<b>At 31 December 2019</b>	-	-
	<hr/>	<hr/>
<b>Depreciation</b>		
At 1 January 2019	393	393
Disposals	( 393)	( 393)
	<hr/>	<hr/>
<b>At 31 December 2019</b>	-	-
	<hr/>	<hr/>
<b>Carrying amount</b>		
<b>At 31 December 2019</b>	-	-
	<hr/>	<hr/>
At 31 December 2018	-	-
	<hr/>	<hr/>

#### 6. Debtors

	2019 £	2018 £
Trade debtors	-	18,692
Other debtors	9,647	3,587
	<hr/>	<hr/>
	9,647	22,279
	<hr/>	<hr/>

## 7. Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	415	40,963
Amounts owed to group undertakings and undertakings in which the company has a participating interest	13,000	8,000
Social security and other taxes	-	783
Other creditors	22,788	22,649
	<b>36,203</b>	<b>72,395</b>

## 8. Creditors: amounts falling due after more than one year

	2019	2018
	£	£
Amounts owed to group undertakings and undertakings in which the company has a participating interest	-	101,302

Included within creditors: amounts falling due after more than one year is an amount of £ - (2018 £ 73,147 ) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

Interest was being charged at a rate of 2%. The 2019 accounts are the final year which interest will be raised.

## 9. Related party transactions

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

	Transaction value		Balance owed by/(owed to)	
	2019	2018	2019	2018
	£	£	£	£
DMD GmbH Limited	158,067	116,692	( 13,000)	( 107,946)
Safer Safety Limited	( 2,000)	( 9,324)	( 21,539)	( 22,328)
	<hr/>	<hr/>	<hr/>	<hr/>

During the year, goods amounting to £158,067 (2018 : £116,692) were sold to DMD GmbH being DMD Direct Limited 's parent company. These sales were at cost plus a handling fee and not at market value. As at the 31st December 2019, this company owed DMD GmbH £13,000 (2018 :£107,946). This is both financial support and trading accounts. Interest is being charged on this loan as follows, £2,080 (2018 : £2,372) per annum. This company also purchased goods and services amounting to £2,500 (2018 : £9,324) from a company called Safer Safety Limited, a company owned by Mr G. M. Craven and can therefore exert influence on both parties. As at the 31st December 2018, DMD Direct Limited owed Safer Safety Limited £22,328 (2018 : £22,328) via loans.

## 10. Controlling party

This company is ultimately controlled by Mr. D. Melhouse who has a beneficial 89% ownership of DMD GmbH. This company is a 90% owned subsidiary of DMD GmbH, a company incorporated in Germany, which is also the ultimate parent company.

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.