

Registered number: 02778382

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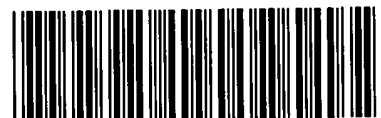
**SALAMANDER PUMPED SHOWER SYSTEMS LTD**

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**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 APRIL 2021**

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**SALAMANDER PUMPED SHOWER SYSTEMS LTD**

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**COMPANY INFORMATION**

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**Directors**

K G Boiston  
G S Gestetner  
C P Vallance  
G Richards  
S J Keenan (resigned 31 October 2020)  
E A Jones  
D A Robertson (appointed 22 March 2021)

**Registered number**

02778382

**Registered office**

Unit 1 Woodley Park Estate  
59-69 Reading Road  
Woodley  
Reading  
Berkshire  
RG5 3AN

**Independent auditors**

Mazars LLP  
Chartered Accountants & Statutory Auditor  
2 Chamberlain Square  
Birmingham  
B3 3AX

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**SALAMANDER PUMPED SHOWER SYSTEMS LTD**

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## **SALAMANDER PUMPED SHOWER SYSTEMS LTD**

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### **STRATEGIC REPORT FOR THE YEAR ENDED 30 APRIL 2021**

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The Directors present their Strategic Report for the year ended 30 April 2021.

#### **Business review**

The principal activity of the Company in the year under review was the development and manufacture of booster pumps to increase water pressure either in the shower, the whole bathroom or the entire house.

In the financial year ended 30th April 2021 turnover increased by 24.5%.

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

The Company's product range is predominantly sold to the renovation, maintenance and improvement sector of the UK domestic construction market and is exposed to the resultant market risk. Its products are manufactured in the UK to ensure that they meet all regulations and that the Company has a wealth of local engineering expertise to ensure it can fully support both the installer and the householder in the selection and successful installation of its product.

#### **Liquidity Risk**

The Company manages its cash and borrowing requirements to maximise interest income and minimise interest expense, whilst ensuring that the Company has sufficient liquid resources to meet the operating needs of its businesses.

#### **Interest Rate Risk**

The Company is exposed to cash flow interest rate risk on floating rate deposits.

#### **Foreign Currency Risk**

The Company's principal foreign currency exposures arise from overseas purchases of goods. The Company has not hedged against these transactions through use of forward exchange contracts as the volume of purchases and volatility in currency rates has not warranted this. However, the Company keeps movements on exchange rates under close review and will use hedges when deemed necessary.

#### **Credit Risk**

Investments of cash surpluses are made through banks and companies which must fulfil credit rating criteria approved by the Board. All customers who wish to trade on credit terms are subject to credit verification procedures. Receivable balances are monitored on an ongoing basis and provision is made for doubtful debts where necessary. Credit insurance is maintained for all material balances.

#### **Financial key performance indicators**

Turnover for the year ended 30th April 2021 increased to £14,848,479 (2020: £11,930,820).

Operating profit for the year ended 30th April 2021 was £2,467,852 (2020: £1,329,361).

Net Assets increased to £14,642,065 at 30th April 2021 from £12,360,803 at 1st May 2020.

This report was approved by the Board on 7 October 2021 and signed on its behalf.

  
G S Gestetner  
Director

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## **SALAMANDER PUMPED SHOWER SYSTEMS LTD**

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### **DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2021**

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The Directors present their report and the financial statements for the year ended 30 April 2021.

#### **Directors' responsibilities statement**

The Directors are responsible for preparing the Strategic report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and 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.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £2,281,262 (2020 - £1,317,633).

The total distribution of dividends for the year was £Nil (2020: £Nil).

#### **Directors**

The Directors who served during the year were:

K G Boiston  
G S Gestetner  
C P Vallance  
G Richards  
S J Keenan (resigned 31 October 2020)  
E A Jones  
D A Robertson (appointed 21 March 2021)

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## **SALAMANDER PUMPED SHOWER SYSTEMS LTD**

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### **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2021**

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#### **Qualifying third party indemnity provisions**

The group maintains qualifying third party indemnity insurance for all Directors. These insurances were in force throughout 2020 and continue in 2021.

#### **Impact of COVID-19**

We have considered the potential impact of COVID-19 on the Company and whilst there may be significant effects for the wider economy which could in turn affect the Company's performance, we have not identified any specific risk that is material enough to require further disclosure here. The full impact following the recent emergence of the global coronavirus is still unknown.

#### **Future developments**

Since the date of these accounts the Company has continued to invest in the business in its manufacturing plant and processes and expects to see further growth in the future.

#### **Disclosure of information in the strategic report**

In preparing the Directors' report, the Directors have complied with S414C (11) of the Companies Act 2006 by including certain disclosures required by S416(4) within the Strategic Report which are its financial risk management objectives.

#### **Disclosure of information to auditors**

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

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

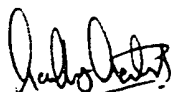
#### **Post balance sheet events**

There have been no significant events affecting the Company since the year end.

#### **Auditors**

The auditors, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the Board on 7<sup>th</sup> October 2021 and signed on its behalf.



G S Gestetner  
Director

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## **SALAMANDER PUMPED SHOWER SYSTEMS LTD**

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### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SALAMANDER PUMPED SHOWER SYSTEMS LTD**

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#### **Opinion**

We have audited the financial statements of Salamander Pumped Shower Systems Ltd (the 'Company') for the year ended 30 April 2021 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 April 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

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

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

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

#### **Other information**

The 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.

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**SALAMANDER PUMPED SHOWER SYSTEMS LTD**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SALAMANDER PUMPED SHOWER SYSTEMS LTD**

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We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

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

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

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of Directors**

As explained more fully in the Directors' responsibilities statement set out on page 2, 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 intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.



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## **SALAMANDER PUMPED SHOWER SYSTEMS LTD**

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### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SALAMANDER PUMPED SHOWER SYSTEMS LTD**

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#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the Company and its industry, we identified that the principal risks of non-compliance with laws and regulations related to the UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006.

We evaluated the Directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, revenue cut off and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the Directors and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Company which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

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**SALAMANDER PUMPED SHOWER SYSTEMS LTD**

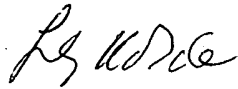
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SALAMANDER PUMPED SHOWER SYSTEMS LTD**

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**Use of the audit 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.



Ian Holder (Senior statutory auditor)

for and on behalf of  
Mazars LLP  
Chartered Accountants and Statutory Auditor  
2 Chamberlain Square  
Birmingham  
B3 3AX

Date: 14<sup>TH</sup> OCTOBER 2021

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**SALAMANDER PUMPED SHOWER SYSTEMS LTD**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 APRIL 2021**

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|  | Note | 2021<br>£        | 2020<br>Restated<br>£ |
|--|------|------------------|-----------------------|
| Turnover                               | 4    | 14,848,479       | 11,930,820            |
| Cost of sales                          |      | (8,778,606)      | (7,210,792)           |
| <b>Gross profit</b>                    |      | <b>6,069,873</b> | <b>4,720,028</b>      |
| Administrative expenses                |      | (3,791,072)      | (3,390,667)           |
| Other operating income                 | 5    | 189,051          | -                     |
| <b>Operating profit</b>                | 6    | <b>2,467,852</b> | <b>1,329,361</b>      |
| Interest receivable and similar income | 10   | 7,208            | 7,990                 |
| <b>Profit before tax</b>               |      | <b>2,475,060</b> | <b>1,337,351</b>      |
| Tax on profit                          | 11   | (193,798)        | (19,718)              |
| <b>Profit for the financial year</b>   |      | <b>2,281,262</b> | <b>1,317,633</b>      |

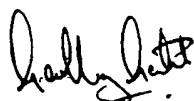
The notes on pages 11 to 25 form part of these financial statements.

**SALAMANDER PUMPED SHOWER SYSTEMS LTD**  
**REGISTERED NUMBER: 02778382**

**BALANCE SHEET**  
**AS AT 30 APRIL 2021**

|  | Note | 2021<br>£                | 2020<br>£                |
|--|------|--------------------------|--------------------------|
| <b>Fixed assets</b>                            |      |                          |                          |
| Tangible assets                                | 12   | 243,165                  | 321,981                  |
|  |      | <u>243,165</u>           | <u>321,981</u>           |
| <b>Current assets</b>                          |      |                          |                          |
| Stocks   | 13   | 1,272,717                | 1,448,663                |
| Debtors: amounts falling due within one year   | 14   | 9,734,419                | 8,942,216                |
| Cash at bank and in hand                       | 15   | 7,439,636                | 3,831,625                |
|  |      | <u>18,446,772</u>        | <u>14,222,504</u>        |
| Creditors: amounts falling due within one year | 16   | (3,905,528)              | (2,044,244)              |
| <b>Net current assets</b>                      |      | <u>14,541,244</u>        | <u>12,178,260</u>        |
| <b>Total assets less current liabilities</b>   |      | <u>14,784,409</u>        | <u>12,500,241</u>        |
| <b>Provisions for liabilities</b>              |      |                          |                          |
| Deferred tax                                   | 18   | -                        | (29,859)                 |
| Other provisions                               | 19   | (142,344)                | (109,579)                |
|  |      | <u>(142,344)</u>         | <u>(139,438)</u>         |
| <b>Net assets</b>                              |      | <u><u>14,642,065</u></u> | <u><u>12,360,803</u></u> |
| <b>Capital and reserves</b>                    |      |                          |                          |
| Called up share capital                        | 20   | 1,222                    | 1,222                    |
| Profit and loss account                        | 21   | 14,640,843               | 12,359,581               |
|  |      | <u><u>14,642,065</u></u> | <u><u>12,360,803</u></u> |

The financial statements were approved and authorised for issue by the Board and were signed on its behalf on 7 October 2021 by:

  
**G S Gestetner**  
 Director

The notes on pages 11 to 25 form part of these financial statements.

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**SALAMANDER PUMPED SHOWER SYSTEMS LTD**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 APRIL 2021**

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|  | <b>Called up<br/>share capital</b> | <b>Profit and<br/>loss account</b> | <b>Total equity</b> |
|--|------------------------------------|------------------------------------|---------------------|
|  | <b>£</b>                           | <b>£</b>                           | <b>£</b>            |
| At 1 May 2020                                  | 1,222                              | 12,359,581                         | 12,360,803          |
| <b>Comprehensive Income for the year</b>       |                                    |                                    |                     |
| Profit for the year                            | -                                  | 2,281,262                          | 2,281,262           |
| <b>Total Comprehensive Income for the year</b> | -                                  | 2,281,262                          | 2,281,262           |
| <b>At 30 April 2021</b>                        | <b>1,222</b>                       | <b>14,640,843</b>                  | <b>14,642,065</b>   |

The notes on pages 11 to 25 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 APRIL 2020**

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|  | <b>Called up<br/>share capital</b> | <b>Profit and<br/>loss account</b> | <b>Total equity</b> |
|--|------------------------------------|------------------------------------|---------------------|
|  | <b>£</b>                           | <b>£</b>                           | <b>£</b>            |
| At 1 May 2019                                  | 1,222                              | 11,041,948                         | 11,043,170          |
| <b>Comprehensive Income for the year</b>       |                                    |                                    |                     |
| Profit for the year                            | -                                  | 1,317,633                          | 1,317,633           |
| <b>Total Comprehensive Income for the year</b> | -                                  | 1,317,633                          | 1,317,633           |
| <b>At 30 April 2020</b>                        | <b>1,222</b>                       | <b>12,359,581</b>                  | <b>12,360,803</b>   |

The notes on pages 11 to 25 form part of these financial statements.

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## **SALAMANDER PUMPED SHOWER SYSTEMS LTD**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2021**

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#### **1. General information**

Salamander Pumped Shower Systems Ltd is a private company limited by shares, registered in England and Wales and domiciled in England. The registered office can be found on the Company information page.

The financial statements are prepared in Sterling, which is considered to be the functional currency of the Company, and are rounded to the nearest £1.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

##### **Financial Reporting Standard 102 - Disclosure Exemptions**

A qualifying entity may take advantage of the following disclosure exemptions:

- (a) The requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv).
- (b) The requirements of Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17(d).
- (c) The requirements of Section 11 paragraphs 11.39 to 11.48A and Section 12 paragraphs 12.26 to 12.29A providing the equivalent disclosures required by this FRS are included in the consolidated financial statements of the group in which the entity is consolidated.
- (d) The requirement of Section 33 Related Party Disclosures paragraph 33.7.

The following principal accounting policies have been applied:

##### **2.2 Going concern**

The financial statements have been prepared on a going concern basis. The Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Company should be able to manage business risk successfully. After making enquiries and considering the potential future impact of COVID-19, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Directors therefore continue to adopt the going concern basis in preparing the financial statements.

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## **SALAMANDER PUMPED SHOWER SYSTEMS LTD**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2021**

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#### **2. Accounting policies (continued)**

##### **2.3 Turnover**

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

##### **Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### **2.4 Tangible fixed assets**

Tangible fixed assets are stated at cost less depreciation.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

|                              |                     |
|------------------------------|---------------------|
| Long-term leasehold property | - 20% Straight line |
| Plant & machinery            | - 25% Straight line |
| Office equipment             | - 25% Straight line |
| Computer equipment           | - 25% Straight line |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

##### **2.5 Operating leases: Lessee**

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

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## **SALAMANDER PUMPED SHOWER SYSTEMS LTD**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2021**

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#### **2. Accounting policies (continued)**

##### **2.6 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each Balance Sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Comprehensive Income.

##### **2.7 Debtors**

Short term debtors are measured at transaction price less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### **2.8 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### **2.9 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a Director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is



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**SALAMANDER PUMPED SHOWER SYSTEMS LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2021**

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**2. Accounting policies (continued)****2.9 Financial instruments (continued)**

an approximation of the amount that the Company would receive for the asset if it were to be sold at the Balance Sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

**2.10 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.11 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of Comprehensive Income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

**2.12 Foreign currency translation****Functional and presentation currency**

The Company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

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**SALAMANDER PUMPED SHOWER SYSTEMS LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2021**

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**2. Accounting policies (continued)****2.13 Pensions****Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

**2.14 Interest income**

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

**2.15 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

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## **SALAMANDER PUMPED SHOWER SYSTEMS LTD**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2021**

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#### **2. Accounting policies (continued)**

##### **2.16 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date.

##### **2.17 Research and development**

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if, and only if, certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

##### **2.18 Prior year restatement**

Turnover, cost of sales and administrative expenses have been reclassified this year to better reflect management reporting. The prior figures have, as such, been restated. There has been no change to the overall profit for the prior year. This is in line with UK GAAP reporting standards.

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## SALAMANDER PUMPED SHOWER SYSTEMS LTD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2021

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#### 3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

##### Property, Plant and Equipment

Property, plant and equipment are depreciated over their useful life taking into account, where appropriate, residual values. Assessment of useful lives and residual values are performed annually, taking into account factors such as technological innovation, maintenance programmes, market information and management considerations. In assessing the residual values, the remaining life of the asset, its projected disposal value and future market conditions are taken into account. Details on property, plant and equipment can be found in note 12.

##### Warranty Provision

Provision is made to cover the anticipated costs of reliability guarantees on products sold in the year under review and in respect of prior year sales failing within the warranty period of between two and five years dependent on product purchased.

#### 4. Analysis of turnover

A geographical analysis of turnover has not been given because the Directors consider that such disclosures would be prejudicial to the interests of the Company.

#### 5. Other operating income

|                              | 2021<br>£      | 2020<br>£ |
|------------------------------|----------------|-----------|
| CJRS - Furlough scheme grant | 189,051        | -         |
|                              | <u>189,051</u> | <u>-</u>  |

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**SALAMANDER PUMPED SHOWER SYSTEMS LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2021**

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**6. Operating profit**

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

|  | 2021<br>£ | 2020<br>£ |
|--|-----------|-----------|
| Research & development charged as an expense | 280,886   | 295,408   |
| Exchange differences                         | (74,436)  | 63,387    |
| Depreciation of tangible fixed assets        | 137,765   | 132,854   |
| Operating lease rentals: Other               | 73,303    | 71,306    |
| Operating lease rentals: Land & Buildings    | 61,000    | 61,000    |
| Defined contribution pension cost            | 87,557    | 87,419    |

**7. Auditor's remuneration**

|  | 2021<br>£ | 2020<br>£ |
|--|-----------|-----------|
| Fees payable to the Company's auditor for the audit of the Company's annual accounts | 14,000    | 14,000    |

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

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**SALAMANDER PUMPED SHOWER SYSTEMS LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2021**

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**8. Employees**

Staff costs, including Directors' remuneration, were as follows:

|                                     | 2021<br>£        | 2020<br>£        |
|-------------------------------------|------------------|------------------|
| Wages and salaries                  | 2,475,787        | 1,988,595        |
| Social security costs               | 231,707          | 201,459          |
| Cost of defined contribution scheme | 87,557           | 87,149           |
|                                     | <u>2,795,051</u> | <u>2,277,203</u> |

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

|                | 2021<br>No. | 2020<br>No. |
|----------------|-------------|-------------|
| Production     | 38          | 31          |
| Administration | 23          | 29          |
| Sales          | 10          | 8           |
|                | <u>71</u>   | <u>68</u>   |

**9. Directors' remuneration**

|   | 2021<br>£      | 2020<br>£      |
|---|----------------|----------------|
| Directors' emoluments   | 542,901        | 434,631        |
| Company contributions to defined contribution pension schemes | 16,549         | 15,121         |
|   | <u>559,450</u> | <u>449,752</u> |

During the year retirement benefits accrued to 4 Directors (2020: 3) in respect of defined contribution pension schemes.

**10. Interest receivable and similar income**

|                           | 2021<br>£    | 2020<br>£    |
|---------------------------|--------------|--------------|
| Other interest receivable | <u>7,208</u> | <u>7,990</u> |

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**SALAMANDER PUMPED SHOWER SYSTEMS LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2021**

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**11. Taxation**

|  | 2021<br>£       | 2020<br>£     |
|--|-----------------|---------------|
| <b>Corporation tax</b>                           |                 |               |
| Current tax on profits for the year              | 229,280         | -             |
| Adjustments in respect of previous periods       | -               | 6,107         |
| <b>Total current tax</b>                         | <u>229,280</u>  | <u>6,107</u>  |
| <b>Deferred tax</b>                              |                 |               |
| Origination and reversal of timing differences   | (36,592)        | 13,405        |
| Adjustments in respect of prior periods          | 1,110           | 206           |
| <b>Total deferred tax</b>                        | <u>(35,482)</u> | <u>13,611</u> |
| <b>Taxation on profit on ordinary activities</b> | <u>193,798</u>  | <u>19,718</u> |

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2020 - lower than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

|  | 2021<br>£        | 2020<br>£        |
|--|------------------|------------------|
| Profit on ordinary activities before tax   | <u>2,475,060</u> | <u>1,337,351</u> |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%) | 470,261          | 254,097          |
| <b>Effects of:</b>   |                  |                  |
| Fixed asset differences  | 574              | -                |
| Expenses not deductible for tax purposes, other than goodwill amortisation and impairment                  | (2,724)          | -                |
| Adjustments to tax charge in respect of prior periods  | -                | 6,107            |
| Adjustments to tax charge in respect of prior periods - deferred tax                                       | 1,110            | 206              |
| Additional deduction for R&D expenditure   | (84,555)         | (184,189)        |
| Patent box additional deduction  | (190,868)        | (87,470)         |
| Group relief   | -                | 29,033           |
| Remeasurement of deferred tax for changes in tax rates   | -                | 1,934            |
| <b>Total tax charge for the year</b>   | <u>193,798</u>   | <u>19,718</u>    |

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**SALAMANDER PUMPED SHOWER SYSTEMS LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2021**

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**12. Tangible fixed assets**

|  | Plant &<br>machinery<br>£ | L/Term<br>Leasehold<br>Property<br>£ | Office<br>equipment<br>£ | Computer<br>equipment<br>£ | Total<br>£ |
|--|---------------------------|--------------------------------------|--------------------------|----------------------------|------------|
| <b>Cost or valuation</b>               |                           |                                      |                          |                            |            |
| At 1 May 2020                          | 1,239,751                 | 80,664                               | 106,553                  | 337,295                    | 1,764,263  |
| Additions                              | 51,294                    | -                                    | -                        | 19,149                     | 70,443     |
| Disposals                              | -                         | -                                    | -                        | (14,689)                   | (14,689)   |
| At 30 April 2021                       | 1,291,045                 | 80,664                               | 106,553                  | 341,755                    | 1,820,017  |
| <b>Depreciation</b>                    |                           |                                      |                          |                            |            |
| At 1 May 2020                          | 940,249                   | 80,664                               | 106,553                  | 314,816                    | 1,442,282  |
| Charge for the year on owned<br>assets | 127,777                   | -                                    | -                        | 9,988                      | 137,765    |
| Disposals                              | -                         | -                                    | -                        | (3,195)                    | (3,195)    |
| At 30 April 2021                       | 1,068,026                 | 80,664                               | 106,553                  | 321,609                    | 1,576,852  |
| <b>Net book value</b>                  |                           |                                      |                          |                            |            |
| At 30 April 2021                       | 223,019                   | -                                    | -                        | 20,146                     | 243,165    |
| At 30 April 2020                       | 299,502                   | -                                    | -                        | 22,479                     | 321,981    |



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**SALAMANDER PUMPED SHOWER SYSTEMS LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2021**

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**13. Stocks**

|                                     | 2021<br>£        | 2020<br>£        |
|-------------------------------------|------------------|------------------|
| Raw materials and consumables       | 1,178,416        | 1,324,085        |
| Finished goods and goods for resale | 94,301           | 124,578          |
|                                     | <u>1,272,717</u> | <u>1,448,663</u> |

**14. Debtors**

|                                    | 2021<br>£        | 2020<br>£        |
|------------------------------------|------------------|------------------|
| Trade debtors                      | 1,915,242        | 856,965          |
| Amounts owed by group undertakings | 7,682,751        | 7,871,877        |
| Other debtors                      | 2,248            | 2,248            |
| Prepayments and accrued income     | 128,555          | 211,126          |
| Deferred taxation                  | 5,623            | -                |
|                                    | <u>9,734,419</u> | <u>8,942,216</u> |

**15. Cash and cash equivalents**

|                          | 2021<br>£        | 2020<br>£        |
|--------------------------|------------------|------------------|
| Cash at bank and in hand | <u>7,439,636</u> | <u>3,831,625</u> |

**16. Creditors: Amounts falling due within one year**

|                                    | 2021<br>£        | 2020<br>£        |
|------------------------------------|------------------|------------------|
| Trade creditors                    | 1,422,922        | 967,360          |
| Amounts owed to group undertakings | 128              | 230              |
| Corporation tax                    | 229,363          | -                |
| Other taxation and social security | 787,058          | 422,072          |
| Other creditors                    | 14,006           | 12,648           |
| Accruals and deferred income       | 1,452,051        | 641,934          |
|                                    | <u>3,905,528</u> | <u>2,044,244</u> |

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**SALAMANDER PUMPED SHOWER SYSTEMS LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2021**

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**17. Financial instruments**

|   | 2021<br>£          | 2020<br>£          |
|---|--------------------|--------------------|
| <b>Financial assets</b>   |                    |                    |
| Financial assets measured at fair value through profit or loss        | 7,439,636          | 3,831,625          |
| Financial assets that are debt instruments measured at amortised cost | 9,600,241          | 8,731,090          |
|   | <u>17,039,877</u>  | <u>12,562,715</u>  |
| <b>Financial liabilities</b>  |                    |                    |
| Financial liabilities measured at amortised cost                      | <u>(2,879,287)</u> | <u>(1,603,244)</u> |

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

Financial assets measured at amortised cost comprise trade debtors, monies due from group undertakings and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, monies due to group undertakings, other creditors and accruals.

**18. Deferred tax liability**

|                           | 2021<br>£    | 2020<br>£       |
|---------------------------|--------------|-----------------|
| At beginning of the year  | (29,859)     | (16,248)        |
| Charged to profit         | 35,482       | (13,611)        |
| <b>At end of the year</b> | <u>5,623</u> | <u>(29,859)</u> |

The deferred tax liability is made up as follows:

|                                | 2021<br>£    | 2020<br>£       |
|--------------------------------|--------------|-----------------|
| Fixed asset timing differences | (23,164)     | (32,262)        |
| Short term timing differences  | 28,787       | 2,403           |
|                                | <u>5,623</u> | <u>(29,859)</u> |

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**SALAMANDER PUMPED SHOWER SYSTEMS LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2021**

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**19. Provisions**

|                         | <b>Warranty<br/>Provision<br/>£</b> |
|-------------------------|-------------------------------------|
| At 1 May 2020           | 109,579                             |
| Charged to profit       | 32,765                              |
| <b>At 30 April 2021</b> | <b>142,344</b>                      |

**Warranty Provision**

Provision is made to cover the anticipated costs of reliability guarantees on products sold in the year under review and in respect of prior year sales falling within the warranty period of between two and five years dependent on product purchased.

**20. Share capital**

|  | <b>2021<br/>£</b> | <b>2020<br/>£</b> |
|--|-------------------|-------------------|
| <b>Allotted, called up and fully paid</b>          |                   |                   |
| 2,444 (2020 - 2,444) Ordinary shares of £0.50 each | 1,222             | 1,222             |

**21. Reserves****Profit & loss account**

Includes all current and prior period profits and losses.

**22. Pension commitments**

The Company is a member of the Davidson Group Personal Pension Plan. The assets of the scheme are independently managed and controlled by the pension administrator, Scottish Widows. The Company's pension cost was £87,557 for the year (2020: £87,149). The Company's pension creditor outstanding at the year end amounted to £15,694 (2020: £12,648).

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**SALAMANDER PUMPED SHOWER SYSTEMS LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2021**

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**23. Commitments under operating leases**

At 30 April 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

|  | 2021<br>£      | 2020<br>£     |
|--|----------------|---------------|
| <b>Land &amp; buildings</b>                  |                |               |
| Not later than 1 year                        | 15,250         | 61,000        |
| Later than 1 year and not later than 5 years | -              | 15,250        |
|  | <u>15,250</u>  | <u>76,250</u> |
|  | 2021<br>£      | 2020<br>£     |
| <b>Other</b>                                 |                |               |
| Not later than 1 year                        | 54,555         | 59,035        |
| Later than 1 year and not later than 5 years | 56,096         | 22,639        |
|  | <u>110,651</u> | <u>81,674</u> |

**24. Related party transactions**

As a qualifying entity under FRS 102 the entity is able to take advantage of the disclosure exemption under the requirement of Section 33 Related Party Disclosures paragraph 33.7.

**25. Post balance sheet events**

There have been no significant events affecting the Company since the year end.

**26. Ultimate parent undertaking and controlling party**

Davidson Holdings Limited, a company incorporated in England & Wales, is the ultimate parent company by virtue of its 100% holding of the ordinary share capital. There is no ultimate controlling party of Davidson Holdings Limited.

The consolidated accounts of Davidson Holdings Limited can be obtained from:

Unit 1 Woodley Park Estate  
59-69 Reading Road  
Woodley  
Reading  
Berkshire  
RG5 3AN