

Registration number: 02802161

A K MULLER (UK) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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A K MULLER (UK) LIMITED

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A K MULLER (UK) LIMITED

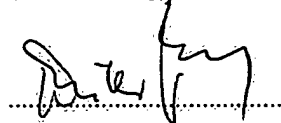
(REGISTRATION NUMBER: 02802161) STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Non current assets			
Property, plant and equipment	4	34,866	16,107
Current assets			
Inventories	5	267,407	249,475
Receivables	6	406,967	217,935
Cash at bank and in hand	7	365,872	307,790
		<u>1,040,246</u>	<u>775,200</u>
Payables: Amounts falling due within one year	8	<u>(288,333)</u>	<u>(153,181)</u>
Net current assets		<u>751,913</u>	<u>622,019</u>
Net assets		<u>786,779</u>	<u>638,126</u>
Equity			
Called up share capital	9	510	510
Capital redemption reserve	9	490	490
Retained earnings	9	<u>785,779</u>	<u>637,126</u>
Total equity		<u>786,779</u>	<u>638,126</u>

The directors have taken advantage of Section 444(5A) of the Companies Act 2006 not to deliver a copy of the company's Profit and Loss Account to the Registrar of Companies.

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

The financial statements of A K Muller (UK) Limited were approved and authorised for issue by the Board on 1 July 2023 and signed on its behalf by:



D Riedel
Director

The notes on pages 2 to 9 form an integral part of these financial statements.

A K MULLER (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 General information

A K Muller (UK) Limited (the 'company') is a private company limited by share capital, registered in England and Wales under the Companies Act.

The address of the registered office is Fifth floor, 27 Greville street, London, United Kingdom, EC1N8SU. The principal activity of the company is the sale of industrial and domestic valve systems.

2 Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Going concern

The directors have considered the company's financial position, liquidity and future performance together with financial projections for the company and over the foreseeable future and have also reviewed the availability of banking facilities. After making enquiries, the directors are satisfied that the company has sufficient resources to continue in operation for the foreseeable future, being at least 12 months from the date of signing the financial statements. Accordingly, they continue to adopt the going concern basis in preparing the company's financial statements.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and in accordance with the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The functional currency of the company is considered to be pounds sterling (£) because that is the currency of the primary economic environment in which the company operates. The financial statements are presented in pounds sterling (£).

Exemption from preparing a cash flow statement

The company qualifies as a small entity and in consequence has taken advantage of paragraph 7.1B of FRS 102 not to present a statement of cash flows.

A K MULLER (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

2 Accounting policies (continued)

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following estimates have had the most significant effect on amounts recognised in the financial statements.

(i) Inventories

Inventories are stated at the lower of cost (first-in-first-out method) or net realisable value. The cost of inventories comprise net prices paid for valves purchased, charges for freight and customs duties. Net realisable value represents the estimated selling price less all estimated costs to be incurred in marketing, selling and distribution. Inventory provisions are recognised for slow-moving, obsolete or unsaleable inventory and are reviewed on a regular basis. The judgements, estimates and associated assumptions necessary to calculate the net realisable values and provisions are based on historical experience and other reasonable factors. Owing to the inherent uncertainty in this evaluation process, actual outcomes may be different from the originally estimated provision.

Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the company's activities. Revenue is shown net of value added tax, returns, rebates and discounts. The company recognises revenue when: the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the company's activities.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

A K MULLER (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

2 Accounting policies (continued)

Property, plant and equipment

Property, plant and equipment are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of property, plant and equipment includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	25% reducing balance
Motor vehicles	25% reducing balance
Leasehold improvements	20% straight line

Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount and an impairment loss is recognised immediately in the statement of income and retained earnings.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the statement of income and retained earnings.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and bank current account balances and are subject to an insignificant risk of change in value.

Receivables

Receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Inventories

Inventories are stated at the lower of cost and net realisable value, after due regard for obsolete and slow moving inventories. Cost is determined using the first-in, first-out (FIFO) method. Net realisable value is based on selling price less selling costs.

The cost of inventories comprise net prices paid for valves purchased, charges for freight and customs duties. At each reporting date, inventories are assessed for impairment. If inventories are impaired, the carrying amount is reduced to its selling price less costs to sell; the impairment loss is recognised immediately in the Statement of Income and Retained Earnings.

A K MULLER (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

2 Accounting policies (continued)

Payables

Payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities. Payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Income and Retained Earnings on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividends distributed to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

The company operates a defined contribution pension scheme. The assets of the schemes are held separately from those of the company. Contributions are recognised in the income statement in the period in which they become payable.

Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 2 (2021 - 2).

A K MULLER (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)**

4 Property, plant and equipment

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost				
At 1 January 2022	20,037	13,864	21,741	55,642
Additions	-	965	36,874	37,839
Disposals	-	-	(21,741)	(21,741)
At 31 December 2022	<u>20,037</u>	<u>14,829</u>	<u>36,874</u>	<u>71,740</u>
Depreciation				
At 1 January 2022	20,037	5,209	14,289	39,535
Charge for the year	-	2,408	9,220	11,628
Eliminated on disposal	-	-	(14,289)	(14,289)
At 31 December 2022	<u>20,037</u>	<u>7,617</u>	<u>9,220</u>	<u>36,874</u>
Carrying amount				
At 31 December 2022	<u>-</u>	<u>7,212</u>	<u>27,654</u>	<u>34,866</u>
At 31 December 2021	<u>-</u>	<u>8,655</u>	<u>7,452</u>	<u>16,107</u>

5 Inventories

	2022 £	2021 £
Goods for resale	<u>267,407</u>	<u>249,475</u>

6 Receivables

	2022 £	2021 £
Receivables	398,505	209,240
Other receivables	-	500
Prepayments	<u>8,462</u>	<u>8,195</u>
	<u>406,967</u>	<u>217,935</u>

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A K MULLER (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

7 Cash and cash equivalents

	2022 £	2021 £
Cash on hand	184	283
Cash at bank	365,688	307,507
	<u>365,872</u>	<u>307,790</u>

8 Payables

	2022 £	2021 £
Due within one year		
Payables	660	3,278
Amounts owed to parent undertaking	181,757	72,070
Income tax liability	35,086	20,204
Other taxes	64,756	53,029
Accrued expenses	6,074	4,600
	<u>288,333</u>	<u>153,181</u>

The amount owed to parent undertaking are unsecured, non-interest bearing and repayable on demand.

9 Share capital and reserves

Allotted, called up and fully paid shares

	2022		2021	
	No.	£	No.	£
Ordinary shares of £1 each	<u>510</u>	<u>510</u>	<u>510</u>	<u>510</u>

The company has one class of share capital which carry no right to fixed income.

Reserves

The retained earnings reserve represents cumulative profit or losses net of dividends paid and other adjustments.

Capital redemption reserve represents the nominal value of shares repurchased by the company.

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A K MULLER (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

10 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £4,145 (2021 - £4,145). There were no prepaid or outstanding contributions at the year end (2021: £nil).

11 Operating lease commitments

The company has the following commitments under operating leases:

	2022 £	2021 £
Not later than one year	15,000	10,833
Later than one year and not later than five years	58,250	-
	<u>73,250</u>	<u>10,833</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £13,959 (2021 - £13,496).

12 Related party transactions

The company is a wholly owned subsidiary member of its group and has therefore taken advantage of the provisions of Section 33. 1A of FRS 102 the "The Financial Reporting Standard applicable in the UK and Republic of Ireland" not to disclose transactions with entities that are wholly owned members of the group.

13 Ultimate parent undertaking

The company's immediate parent is K. Müller Grundstücksverwaltungs GmbH & Co. KG, incorporated in Germany.

The ultimate controlling party is the Riedel family.

14 Events after the financial period

There have been no significant events between the year end and the date of approval of these accounts which would require a change to, or disclosure in, the financial statements.

A K MULLER (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)**

15 Audit report

The auditor's report on the financial statements for the year ended 31 December 2022 was unqualified. The audit report was signed by Timothy Slater [Senior Statutory Auditor] on behalf of Harmer Slater Limited [Statutory Auditor].