

Lufapak Holdings Limited

Registered number: 07709434

Audited financial statements

For the year ended 31 July 2021

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STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Investments	5		714,751		714,751
Current assets					
Debtors: amounts falling due within one year	6	225,135		10,472	
Cash at bank and in hand	7	22,840		30,448	
		247,975		40,920	
Creditors: amounts falling due within one year	8	(696,717)		(450,000)	
Net current liabilities			(448,742)		(409,080)
Total assets less current liabilities			266,009		305,671
Net assets			266,009		305,671
Capital and reserves					
Called up share capital			100		100
Profit and loss account			265,909		305,571
			266,009		305,671

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The company has opted not to file the statement of comprehensive income in accordance with provision applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 4 November 2021.



R J Cookman
 Director

The notes on pages 2 to 6 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

1. General information

Lufapak Holdings Limited is a company limited by shares, incorporated in England and Wales. Its registered office is Lawford Heath Industrial Estate, Lawford Heath Lane, Rugby CV23 9EU. The principal activity of the Company is management services. The Company operates within the UK and provides management services to Germany.

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 Section 1A of Financial Reporting Standard 102 (March 2019), the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006. The March 2019 edition of FRS 102 includes amendments arising from the Financial Reporting Council's triennial review of the standard. There is no material effect on the amounts recognised in these financial statements as a result of adopting these amendments.

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).

The financial statements are presented in Sterling, which is considered to be the functional currency of the company, and are rounded to the nearer £1.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of DK Group Investments Limited as at 31 July 2021 and these financial statements may be obtained from the registered office.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

2. Accounting policies (continued)

2.3 Going concern

The outbreak of COVID-19 continues to effect the company. Risk assessments have been carried out and will be updated on an ongoing basis to protect employees against infection risk and to ensure continued stable provision of services. Several measures have been taken to reduce the risk of infection and mitigate the impact on the Company. The longer term impacts of COVID-19 on the Company and the wider economy are uncertain, but are continually being assessed and monitored by management.

After considering the impact of COVID-19 at the time of approving the financial statements and reviewing the budget for the year to 31 July 2022, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

2.4 Revenue

Revenue 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. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 Dividend income

Dividend income is recognised when the right to receive payment is established.

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

2. Accounting policies (continued)

2.9 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.

2.10 Financial instruments

The Company only enters into basic financial instruments 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 and loans to related parties.

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 financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position 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.

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

The preparation of the financial statements in conformity with generally accepted accounting principles requires the directors to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results in the future could differ from those estimates. In this regard, the Directors believe that there are no critical accounting policies where judgements or estimations are necessarily applied in the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

4. Employees

The average monthly number of employees, including directors, during the year was 0 (2020 - 0).

5. Fixed asset investments

**Investments
in
subsidiary
companies
£**

Cost

At 1 August 2020 and 31 July 2021

714,751

Subsidiary undertaking

Name	Country of registration or incorporation	Class of Shares	Holding
Lufapak GmbH	Germany	Ordinary	100%

The principal activity of Lufapak GmbH for the last relevant financial year was supply chain management, storage assembling, packing and transport coordination.

6. Debtors

	2021 £	2020 £
Amounts owed by group undertakings	-	10,472
Corporation tax debtor	225,135	-
	<u>225,135</u>	<u>10,472</u>

7. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	22,840	30,448

8. Creditors: Amounts falling due within one year

	2021 £	2020 £
Amounts owed to group undertakings	696,717	450,000

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

9. Contingent liabilities

The company is party to an inter-company guarantee in respect of bank facilities with the following group companies:

- DK Group Investments Limited
- DK Packing and Casemaking Limited
- Mercury Material Management Limited
- Centurion Industrial Packaging Limited
- Lemonpath Limited
- GE Door Manufacturing Limited

No liability is expected to arise under the arrangement, however the total amount of indebtedness guaranteed across the group is £4,240,538.

10. Related party transactions

The Company is a wholly owned subsidiary of DK Group Investments Limited and has taken advantage of the exemption conferred by the Financial Reporting Standard FRS 102 Reduced Disclosure Framework (FRS 102) not to disclose transactions with DK Group Investments Limited or its wholly owned subsidiaries.

11. Controlling party

The directors consider that the ultimate parent undertaking of this company is DK Group Investments Limited, a company registered in England and Wales. The smallest and largest group of which the Company is a member and for which group accounts are prepared is DK Group Investments Limited. Copies of these accounts are available from the Registered Office, Unit 5, Lawford Heath Industrial Estate Lawford Heath Lane, Rugby, Warwickshire, CV23 9EU.

12. Auditor's information

The auditor's report on the financial statements for the year ended 31 July 2021 was unqualified with no reference to any matters to which the auditor drew attention by way of emphasis.

The audit report was signed on 10 November 2021 by Ian Holder (senior statutory auditor) on behalf of Mazars LLP.