

REGISTERED NUMBER: 11107256 (England and Wales)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

FOR

DONECK UK LTD

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FOR THE YEAR ENDED 31 DECEMBER 2022**

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DONECK UK LTD
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2022

DIRECTOR:	Mr P F Weeks
REGISTERED OFFICE:	Sigma House Northfield Drive Northfield Milton Keynes Buckinghamshire MK15 0DQ
REGISTERED NUMBER:	11107256 (England and Wales)
AUDITORS:	Lubbock Fine LLP Paternoster House 65 St Pauls' Churchyard London EC4M 8AB

**BALANCE SHEET
31 DECEMBER 2022**

		2022		2021 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	4		204,722		116,609
CURRENT ASSETS					
Stocks		1,009,442		956,111	
Debtors	5	1,525,459		1,307,197	
Cash at bank		<u>551,841</u>		<u>984,243</u>	
		3,086,742		3,247,551	
CREDITORS					
Amounts falling due within one year	6	<u>1,913,314</u>		<u>2,009,816</u>	
NET CURRENT ASSETS			<u>1,173,428</u>		<u>1,237,735</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,378,150		1,354,344
CREDITORS					
Amounts falling due after more than one year	7		(360,422)		(432,506)
PROVISIONS FOR LIABILITIES			<u>(34,005)</u>		<u>(13,344)</u>
NET ASSETS			<u>983,723</u>		<u>908,494</u>
CAPITAL AND RESERVES					
Called up share capital	9		100		100
Retained earnings			<u>983,623</u>		<u>908,394</u>
SHAREHOLDERS' FUNDS			<u>983,723</u>		<u>908,494</u>

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the director and authorised for issue on 8 April 2024 and were signed by:

Mr P F Weeks - Director

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

1. STATUTORY INFORMATION

Doneck UK Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 25% on reducing balance
Motor vehicles	- 25% on cost
Computer equipment	- 25% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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

2. ACCOUNTING POLICIES - continued

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 Income Statement.

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 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.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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

2. ACCOUNTING POLICIES - continued

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

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.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 12 (2021 - 13).

4. TANGIBLE FIXED ASSETS

	Plant and machinery £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 January 2022	171,090	17,000	17,189	205,279
Additions	105,223	44,750	-	149,973
Disposals	-	(17,000)	-	(17,000)
At 31 December 2022	276,313	44,750	17,189	338,252
DEPRECIATION				
At 1 January 2022	67,326	12,750	8,594	88,670
Charge for year	42,125	11,188	4,297	57,610
Eliminated on disposal	-	(12,750)	-	(12,750)
At 31 December 2022	109,451	11,188	12,891	133,530
NET BOOK VALUE				
At 31 December 2022	166,862	33,562	4,298	204,722
At 31 December 2021	103,764	4,250	8,595	116,609

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021 as restated
	£	£
Trade debtors	1,500,587	1,297,329
Other debtors	<u>24,872</u>	<u>9,868</u>
	<u>1,525,459</u>	<u>1,307,197</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021 as restated
	£	£
Trade creditors	48,785	35,938
Amounts owed to group undertakings	1,481,459	1,588,996
Taxation and social security	251,050	258,325
Other creditors	<u>132,020</u>	<u>126,557</u>
	<u>1,913,314</u>	<u>2,009,816</u>

The company operates a pension scheme which provides for the payment of the full contribution by the company. The scheme operates on a defined contribution money purchase basis and the contributions are charged to the profit and loss account as they arise. The charge for the year was £8,055 (2021 - £7,881). At the balance sheet date an amount of £1,695 (2021 - £3,099) was due from the company in respect of pension costs.

Refer to note 12 in respect of the effect of the prior year adjustment.

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021 as restated
	£	£
Amounts owed to group undertakings	<u>360,422</u>	<u>432,506</u>

Amounts due to group undertakings outstanding at year-end include instalments due after more than five years of £72,084 (2021 - £144,168).

8. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022	2021 as restated
	£	£
Within one year	157,965	132,519
Between one and five years	<u>8,806</u>	<u>-</u>
	<u>166,771</u>	<u>132,519</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2022	2021 as restated
			£	£
100	Ordinary	1	<u>100</u>	<u>100</u>

10. AUDITORS' INFORMATION

These financial statements have been prepared for the purposes of filing with Companies House and no Income Statement is included within this set of financial statements. The full financial statements have been subject to audit and there was a qualification to the audit report on the full financial statements on the basis that the count of the physical inventory at the end of 31 December 2021 was not observed due to the auditors not being appointed until after this date. Furthermore, the financial statements for the period ended 31 December 2021 are not audited.

The audit was undertaken by Lubbock Finc LLP Chartered Accountants & Statutory Auditors, and the Senior Statutory Auditor was Simon de Souza.

11. ULTIMATE CONTROLLING PARTY

Doneck Euroflex S.A. a company incorporated in Luxembourg under the laws of the Grand Duchy of Luxembourg, with its registered office at 4 an den Langten, L-6776 Grevenmacher, Luxembourg.

12. PRIOR YEAR ADJUSTMENT

A prior year adjustment has been made to the accounts for the financial year 31 December 2021 in relation to the omission of sales discounts payable to two customers. The taxation effect of the increase in accruals is also included as an adjustment.

The impact of this adjustment is an increase in accruals by £120,295 relating to the sales discounts payable and a decrease to taxation and social security by £22,856 relating to the reduction in the corporation tax liability payable.

The net effect on the net assets of the company for the year ended 31 December 2021 was a reduction of £97,439.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.