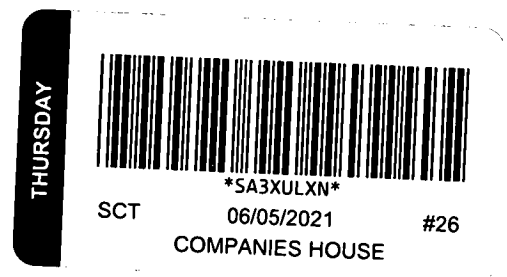


ONLINE VALVES LIMITED
UNAUDITED FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019
PAGES FOR FILING WITH REGISTRAR



ONLINE VALVES LIMITED

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ONLINE VALVES LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2019

		2019		2018 as restated	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	3		15,666		21,498
Investments	4		6,246		6,246
			<u>21,912</u>		<u>27,744</u>
Current assets					
Stocks		439,450		178,098	
Debtors	5	1,963,942		2,404,292	
Cash at bank and in hand		118,471		180,349	
		<u>2,521,863</u>		<u>2,762,739</u>	
Creditors: amounts falling due within one year	6	<u>(1,411,597)</u>		<u>(1,521,463)</u>	
Net current assets			<u>1,110,266</u>		<u>1,241,276</u>
Total assets less current liabilities			<u><u>1,132,178</u></u>		<u><u>1,269,020</u></u>
Capital and reserves					
Called up share capital	7		10,000		10,000
Profit and loss reserves			<u>1,122,178</u>		<u>1,259,020</u>
Total equity			<u><u>1,132,178</u></u>		<u><u>1,269,020</u></u>

ONLINE VALVES LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2019

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the board of directors and authorised for issue on 31/03/2021 and are signed on its behalf by:



Mr D J Sim
Director

Company Registration No. SC403862

ONLINE VALVES LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	Share capital £	Profit and loss reserves £	Total £
As restated for the period ended 31 December 2018:				
Balance at 1 January 2018		10,000	1,154,897	1,164,897
Reclassification of management charges and their tax impact	11	-	(37,466)	(37,466)
As restated		10,000	1,117,431	1,127,431
Year ended 31 December 2018:				
Profit and total comprehensive income for the year		-	151,589	151,589
Dividends		-	(10,000)	(10,000)
Balance at 31 December 2018		10,000	1,259,020	1,269,020
Year ended 31 December 2019:				
Loss and total comprehensive income for the year		-	(32,842)	(32,842)
Dividends		-	(104,000)	(104,000)
Balance at 31 December 2019		10,000	1,122,178	1,132,178

ONLINE VALVES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Company information

Online Valves Limited is a private company limited by shares incorporated in Scotland. The registered office and business address is Unit 11, Ashley Base, Pitmedden Road, DYCE, AB21 0DP.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, 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.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

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

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	10% straight line
Plant and equipment	3 years straight line
Fixtures and fittings	3 years straight line
Computers	3 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

ONLINE VALVES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price including transaction costs.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

ONLINE VALVES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and loans from fellow group companies, are recognised at transaction price.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

ONLINE VALVES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.15 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.16 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 8. (2018 - 10)

3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 January 2019 and 31 December 2019	13,317	43,913	57,230
Depreciation and impairment			
At 1 January 2019	821	34,911	35,732
Depreciation charged in the year	1,332	4,500	5,832
At 31 December 2019	2,153	39,411	41,564
Carrying amount			
At 31 December 2019	11,164	4,502	15,666
At 31 December 2018	12,496	9,002	21,498

ONLINE VALVES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

4 Fixed asset investments

	2019 £	2018 £
Investments	6,246	6,246

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 January 2019 & 31 December 2019	6,246
Carrying amount	
At 31 December 2019	6,246
At 31 December 2018	6,246

5 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	519,897	393,796
Amounts owed by group undertakings	1,075,951	1,075,001
Other debtors	367,933	934,876
	1,963,781	2,403,673
Deferred tax asset	161	619
	1,963,942	2,404,292

While amounts due from group undertakings reported above are due within one year, the directors do not expect repayment of the full amount due to be made within one year.

ONLINE VALVES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

6 Creditors: amounts falling due within one year

	2019 £	2018 £
Bank loans and overdrafts	343,904	572,460
Trade creditors	757,109	675,527
Amounts owed to group undertakings	146,732	-
Corporation tax	26,139	67,324
Other taxation and social security	46,682	29,299
Other creditors	91,031	176,853
	<u>1,411,597</u>	<u>1,521,463</u>

The bank overdraft is secured by a floating charge over the assets of the company.

7 Called up share capital

	2019 £	2018 £
Ordinary share capital		
Issued and fully paid		
10,000 Ordinary of £1 each	<u>10,000</u>	<u>10,000</u>

8 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2019 £	2018 £
	<u>34,500</u>	<u>69,000</u>

9 Related party transactions

During the year the company purchased £220,002 (2018 - £59,477) of services and goods from companies under common control. During the year the company sold £950 (2018 - £nil) of services and goods to companies under common control. At the year end there were balances payable of £146,732 (2018 - £nil) to and balances of £1,123,450 (2018 - £1,176,885) due from related companies.

10 Directors' transactions

During the year the director operated a current account with the company. At 31 December 2019 the balance due to the director by the company amounted to £83,173 (2018 - £80,200). This loan is interest free and has no set repayment terms.

ONLINE VALVES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

11 Prior period adjustment

The year to 31 December 2018 has been amended for an increase in management charges of £59,477 this has decreased other debtors by the same amount. This has decreased the corporation tax charge for the period by £11,301 and reduced retained profits for the year by £48,176.

Retained earnings brought forward at 1 January 2018 have been reduced by £37,466 for an adjustment to management charges in earlier periods, other debtors have been restated and reduced by £46,254 and the corporation tax liability reduced by £8,788.