

Company Registration No. 00882295 (England and Wales)

DEVORAN METALS LIMITED
REPORT AND UNAUDITED FINANCIAL
STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2021

DEVORAN METALS LIMITED

COMPANY INFORMATION

Directors	FRC Orsman T Orsman
Company number	00882295
Registered office	Greenbank Road Devoran Truro Cornwall TR3 6PQ
Accountants	RSM UK Tax and Accounting Limited Chartered Accountants 2nd Floor 1 The Square Temple Quay Bristol BS1 6DG

DEVORAN METALS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their annual report and financial statements for the year ended 31 December 2021.

Principal activities

The principal activity of the company continued to be that of the distribution of metal fabric and bars with associated construction products.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

FRC Orsman

T Orsman

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Richard Orsman

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FRC Orsman

Director

Date: 24/06/22
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ACCOUNTANT'S REPORT TO THE BOARD OF DIRECTORS OF DEVORAN METALS LIMITED ON THE UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

In order to assist you to fulfil your duties under the Companies Act 2006 ("the Act"), we prepared for your approval the financial statements of Devoran Metals Limited which comprise the Statement of Comprehensive Income, the Statement Of Financial Position, the Statement of Changes in Equity and the related notes in accordance with the financial reporting framework set out therein from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Devoran Metals Limited, as a body, in accordance with the terms of our engagement letter dated 10 December 2019. Our work has been undertaken solely to prepare for your approval the financial statements of Devoran Metals Limited and state those matters that we have agreed to state to them in accordance with ICAEW Technical Release 07/16 AAF. This report should not therefore be regarded as suitable to be used or relied on by any other party wishing to acquire any rights against RSM UK Tax and Accounting Limited for any purpose or in any context. Any party other than the Board of Directors which obtains access to this report or a copy and chooses to rely on this report (or any part of it) will do so at its own risk. To the fullest extent permitted by law, RSM UK Tax and Accounting Limited will accept no responsibility or liability in respect of this report to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by any person's reliance on representations in this report.

It is your duty to ensure that Devoran Metals Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Devoran Metals Limited under the Act. You consider that Devoran Metals Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Devoran Metals Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



RSM UK Tax and Accounting Limited
Chartered Accountants
2nd Floor
1 The Square
Temple Quay
Bristol
BS1 6DG

24/06/22

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DEVORAN METALS LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
Turnover	8,745,754	5,057,543
Cost of sales	(6,248,873)	(3,965,585)
	<hr/>	<hr/>
Gross profit	2,496,881	1,091,958
Administrative expenses	(1,080,647)	(770,929)
Other operating income	265	19,846
	<hr/>	<hr/>
Operating profit	1,416,499	340,875
Interest receivable and similar income	-	1
Interest payable and similar expenses	(303)	(265)
	<hr/>	<hr/>
Profit before taxation	1,416,196	340,611
Tax on profit	(271,277)	(69,082)
	<hr/>	<hr/>
Profit for the financial year	<u>1,144,919</u>	<u>271,529</u>

DEVORAN METALS LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2021**

	Notes	2021 £	£	2020 £	£
Current assets					
Stocks		1,489,423		711,885	
Debtors	3	1,265,693		1,490,096	
Cash at bank and in hand		1,352,451		831,548	
		<u>4,107,567</u>		<u>3,033,529</u>	
Creditors: amounts falling due within one year	4	<u>(2,543,103)</u>		<u>(1,769,609)</u>	
Net current assets			1,564,464		1,263,920
Creditors: amounts falling due after more than one year	5		-		(44,375)
Net assets		<u>1,564,464</u>		<u>1,219,545</u>	
Capital and reserves					
Called up share capital	6		100		100
Other reserves			4,129		4,129
Profit and loss reserves			1,560,235		1,215,316
Total equity			<u>1,564,464</u>		<u>1,219,545</u>

For the financial year ended 31 December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

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.

These financial statements have been prepared 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 24/06/22 and are signed on its behalf by:

Richard Orsman

 FRC Orsman
 Director

DEVORAN METALS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

	Share capital	Other reserves	Profit and loss reserves	Total
Notes	£	£	£	£
Balance at 1 January 2020	100	4,129	1,293,787	1,298,016
Year ended 31 December 2020:				
Profit and total comprehensive income for the year	-	-	271,529	271,529
Dividends	-	-	(350,000)	(350,000)
Balance at 31 December 2020	100	4,129	1,215,316	1,219,545
Year ended 31 December 2021:				
Profit and total comprehensive income for the year	-	-	1,144,919	1,144,919
Dividends	-	-	(800,000)	(800,000)
Balance at 31 December 2021	100	4,129	1,560,235	1,564,464

DEVORAN METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Devoran Metals Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Greenbank Road, Devoran, Truro, Cornwall, TR3 6PQ.

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.

Going concern

The directors have given consideration to the ongoing geopolitical uncertainties. The business continues to trade satisfactorily with no significant adverse cash flow impact. The business also has cash reserves to draw on if required and support from its parent company. The directors will continue to review the business position and react accordingly. The directors, having taken these steps, believe that the business has sufficient prospect of trade and cash reserves to continue to trade for a period of no less than twelve months from the approval of these accounts.

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.

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.

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.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

DEVORAN METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

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.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Equity instruments

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

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Retirement benefits

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

DEVORAN METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

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.

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.

Government grants received relate to staff wage costs under the job retention scheme during COVID-19 and to interest on the Bounce Back Loan scheme. The grants are recognised as other operating income over the period necessary to match with the related wage and interest expense.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	21	17

3 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	1,203,758	801,195
Amounts owed by group undertakings	-	667,583
Other debtors	61,935	21,318
	1,265,693	1,490,096

4 Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loans	-	5,625
Trade creditors	2,054,763	1,559,951
Amounts owed to group undertakings	115,841	-
Corporation tax	271,277	69,082
Other taxation and social security	11,568	75,154
Other creditors	89,654	59,797
	2,543,103	1,769,609

DEVORAN METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

5 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Bank loans and overdrafts	-	44,375

6 Called up share capital

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	100	100	100	100

7 Operating lease commitments

Lessee

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

	2021 £	2020 £
Within one year	38,500	38,500

8 Related party transactions

The company has taken the exemption under section 1A para 1AC.35. The company has not disclosed transactions with wholly owned members of the same group.

9 Parent company

The company is a 100% subsidiary of Come to Good Limited, a company registered in England and Wales of which FRC Orsman is a majority shareholder. The registered office is Greenbank Road, Devoran, Truro, Cornwall, TR3 6PQ. The smallest and largest group of which Devoran Metals Limited is a member is headed by Come to Good Limited. The group has taken advantage of the available size exemptions and has not prepared consolidated financial statements.

The ultimate controlling party is considered to be Mr FRC Orsman.