

Gwaza Ltd

Annual Report and Financial Statements
for the Year Ended 31 December 2022

Gwaza Ltd

Contents

Company Information	1
Balance Sheet	2
Notes to the Financial Statements	3 to 8

Gwaza Ltd

Company Information

Director Mr V E Edwards

Company secretary Mrs N A Jones

Registered office New House Farm
Shoothill
Ford
Shrewsbury
Shropshire
SY5 9NR

Auditors CBSL Accountants Limited
Chartered Accountants and Statutory Auditor
Rowan House North
1 The Professional Quarter
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

Gwaza Ltd

(Registration number: 00920639) Balance Sheet as at 31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	4	688,365	682,144
Investment property	5	366,119	363,436
		<u>1,054,484</u>	<u>1,045,580</u>
Current assets			
Stocks	6	3,611,326	2,935,884
Debtors	7	1,096,185	1,363,615
Cash at bank and in hand		<u>1,795,278</u>	<u>1,766,764</u>
		6,502,789	6,066,263
Creditors: Amounts falling due within one year	8	<u>(846,459)</u>	<u>(1,010,199)</u>
Net current assets		<u>5,656,330</u>	<u>5,056,064</u>
Total assets less current liabilities		6,710,814	6,101,644
Provisions for liabilities		<u>(55,014)</u>	<u>(50,920)</u>
Net assets		<u>6,655,800</u>	<u>6,050,724</u>
Capital and reserves			
Called up share capital	9	10,000	10,000
Share premium reserve		48,074	48,074
Capital redemption reserve		200	200
Revaluation reserve		1,985	5,107
Retained earnings		<u>6,595,541</u>	<u>5,987,343</u>
Shareholders' funds		<u>6,655,800</u>	<u>6,050,724</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime. As permitted by section 444 (5A) of the Companies Act 2006, the director has not delivered to the registrar a copy of the Profit and Loss Account.

Approved and authorised by the director on 20 April 2023

Mr V E Edwards
Director

Gwaza Ltd

Notes to the Financial Statements for the Year Ended 31 December 2022

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

New House Farm
Shoothill
Ford
Shrewsbury
Shropshire
SY5 9NR

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

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 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 £.

Audit report

The Independent Auditor's Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report on 20 April 2023 was Adrian Barker BA FCA, who signed for and on behalf of CBSL Accountants Limited.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/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.

Gwaza Ltd

Notes to the Financial Statements for the Year Ended 31 December 2022

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 rate on the date when the fair value is re-measured.

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.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

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

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

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
Land and buildings	2.8% reducing balance
Plant and machinery	25% reducing balance
Motor vehicles	40% reducing balance
Computer equipment	25% straight line

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

Gwaza Ltd

Notes to the Financial Statements for the Year Ended 31 December 2022

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the weighted average cost method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Provisions

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 29 (2021 - 35).

Gwaza Ltd

Notes to the Financial Statements for the Year Ended 31 December 2022

4 Tangible assets

	Land and buildings £	Other tangible assets £	Total £
Cost or valuation			
At 1 January 2022	772,029	145,748	917,777
Additions	14,039	25,544	39,583
At 31 December 2022	786,068	171,292	957,360
Depreciation			
At 1 January 2022	128,782	106,851	235,633
Charge for the year	18,166	15,196	33,362
At 31 December 2022	146,948	122,047	268,995
Carrying amount			
At 31 December 2022	639,120	49,245	688,365
At 31 December 2021	643,247	38,897	682,144

Included within the net book value of land and buildings above is £639,120 (2021 - £643,247) in respect of freehold land and buildings.

Revaluation

The fair value of the company's land and buildings was revalued on 3 December 2013 by an independent valuer, Paramount Surveyors, on an open market basis.

Had this class of asset been measured on a historical cost basis, the carrying amount would have been £426,997 (2021 - £431,124).

5 Investment properties

	2022 £
At 1 January	363,436
Additions	2,683
At 31 December	366,119

The director has considered the market value of the investment properties using the fair value measurement methodology. He has concluded that the values have not materially changed since the previous valuation in December 2013.

The previous valuation was carried out by Paramount Surveyors.

Gwaza Ltd

Notes to the Financial Statements for the Year Ended 31 December 2022

6 Stocks

	2022 £	2021 £
Other inventories	3,449,498	2,538,532
Goods in transit	161,828	397,352
	<u>3,611,326</u>	<u>2,935,884</u>

7 Debtors

Current	Note	2022 £	2021 £
Trade debtors		994,181	1,058,676
Amounts owed by related parties	11	15,519	23,758
Prepayments		81,403	273,957
Other debtors		5,082	7,224
		<u>1,096,185</u>	<u>1,363,615</u>

8 Creditors

Creditors: amounts falling due within one year

	2022 £	2021 £
Due within one year		
Trade creditors	133,364	379,430
Taxation and social security	461,413	300,940
Accruals and deferred income	225,197	299,843
Other creditors	26,485	29,986
	<u>846,459</u>	<u>1,010,199</u>

9 Share capital

Allotted, called up and fully paid shares

	2022 No.	£	2021 No.	£
Ordinary of £0.01 (2021 - £1) each	1,000,000	10,000	10,000	10,000

During the year shares were subdivided to a nominal value of £0.01 per share.

Gwaza Ltd

Notes to the Financial Statements for the Year Ended 31 December 2022

10 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £41,134 (2021 - £53,687). Financial commitments relate to operating leases for vehicles.

11 Related party transactions

At 31 December 2022 amounts due from group companies totalled £15,519 (2021 - £23,758) and are included within debtors.

12 Parent and ultimate parent undertaking

The company's immediate parent is Farmpower International Limited, incorporated in England and Wales.

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.