

Clwyd Agricultural Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 January 2022

Clwyd Agricultural Limited

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Clwyd Agricultural Limited
(Registration number: 05453631)
Balance Sheet as at 31 January 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	<u>4</u>	14,850	19,800
Tangible assets	<u>5</u>	50,128	56,123
		<u>64,978</u>	<u>75,923</u>
Current assets			
Stocks	<u>6</u>	737,816	492,359
Debtors	<u>7</u>	305,826	189,096
Cash at bank and in hand		11,012	30,623
		1,054,654	712,078
Creditors: Amounts falling due within one year	<u>8</u>	(743,547)	(385,164)
Net current assets		311,107	326,914
Total assets less current liabilities		376,085	402,837
Creditors: Amounts falling due after more than one year	<u>8</u>	(177,704)	(229,753)
Net assets		<u>198,381</u>	<u>173,084</u>
Capital and reserves			
Called up share capital	<u>9</u>	1,000	1,000
Profit and loss account		197,381	172,084
Shareholders' funds		<u>198,381</u>	<u>173,084</u>

For the financial year ending 31 January 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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 and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 16 September 2022 and signed on its behalf by:

Clwyd Agricultural Limited
(Registration number: 05453631)
Balance Sheet as at 31 January 2022

.....
E A Gruffydd
Company secretary and director

.....
P L Gruffydd
Director

.....
G W Davies
Director

Clwyd Agricultural Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 January 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:

Terfyn Buildings
Caerwys Road
Cwm, Dyserth
Rhyl
LL18 6HT

These financial statements were authorised for issue by the Board on 16 September 2022.

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 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

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.

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.

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.

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.

Clwyd Agricultural Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 January 2022

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
Plant and machinery	20% straight line
Motor vehicles	25% straight line

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	10% straight line

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) 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.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges. Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Clwyd Agricultural Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 January 2022

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

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 directors) during the year, was 16 (2021 - 10).

Clwyd Agricultural Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 January 2022

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 February 2021	90,000	90,000
At 31 January 2022	90,000	90,000
Amortisation		
At 1 February 2021	70,200	70,200
Amortisation charge	4,950	4,950
At 31 January 2022	75,150	75,150
Carrying amount		
At 31 January 2022	14,850	14,850
At 31 January 2021	19,800	19,800

5 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Other tangible assets £	Total £
Cost or valuation				
At 1 February 2021	32,187	56,693	27,584	116,464
Additions	6,500	3,569	8,765	18,834
Disposals	-	(34,585)	(14,371)	(48,956)
At 31 January 2022	38,687	25,677	21,978	86,342
Depreciation				
At 1 February 2021	5,472	36,520	18,349	60,341
Charge for the year	6,774	4,842	2,978	14,594
Eliminated on disposal	-	(24,350)	(14,371)	(38,721)
At 31 January 2022	12,246	17,012	6,956	36,214
Carrying amount				
At 31 January 2022	26,441	8,665	15,022	50,128
At 31 January 2021	26,715	20,173	9,235	56,123

Included within the net book value of land and buildings above is £Nil (2021 - £Nil) in respect of freehold land and buildings and £Nil (2021 - £Nil) in respect of long leasehold land and buildings.

Clwyd Agricultural Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 January 2022

6 Stocks

	2022 £	2021 £
Work in progress	13,801	-
Other inventories	724,015	492,359
	<u>737,816</u>	<u>492,359</u>

7 Debtors

	2022 £	2021 £
Trade debtors	170,553	172,020
Prepayments	12,607	9,244
Other debtors	122,666	7,832
	<u>305,826</u>	<u>189,096</u>

8 Creditors

Creditors: amounts falling due within one year

	Note	2022 £	2021 £
Due within one year			
Loans and borrowings		60,059	35,225
Trade creditors		558,719	273,351
Taxation and social security		42,029	49,389
Accruals and deferred income		59,525	11,183
Other creditors		23,215	16,016
		<u>743,547</u>	<u>385,164</u>

Creditors include bank loans and overdrafts and net obligations under finance lease and hire purchase contracts which are secured of £60,059 (2021 - £35,225).

Creditors: amounts falling due after more than one year

	Note	2022 £	2021 £
Due after one year			
Loans and borrowings		<u>177,704</u>	<u>229,753</u>

Creditors include bank loans and overdrafts and net obligations under finance lease and hire purchase contracts which are secured of £177,704 (2021 - £229,753).

Clwyd Agricultural Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 January 2022

9 Share capital

Allotted, called up and fully paid shares

	2022		2021	
	No.	£	No.	£
Ordinary shares of £0 each	-	-	-	-
A Ordinary shares of £1 each	375	375	375	375
B Ordinary shares of £1 each	375	375	375	375
C Ordinary shares of £1 each	250	250	250	250
	1,000	1,000	1,000	1,000

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 £10,161 (2021 - £16,868). These financial commitments relate to operating leases. These leases are scheduled to expire in May 2024 and November 2024 respectively.

11 Related party transactions

Summary of transactions with other related parties

Pension fund

During the year the company paid rent amounting to £15,200 (2021: £15,200) to the pension fund of one of the director's for the use of the buildings in which the company operates.

During the year works were carried out to the buildings from which the company operates. The cost of these works have been incurred by the company and are to be re-imbursed by the pension fund.

The amount owed to the company at the balance sheet date by the pension fund is £60,716 (2021: £nil).

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.