

Gorrel Equipment Solutions Limited

Annual Report and Financial Statements
for the Year Ended 28 February 2022

Xeinadin Audit Limited
Chartered Accountants and Statutory Auditors
Highdale House
7 Centre Court
Main Avenue
Pontypridd
CF37 5YR

Gorrel Equipment Solutions Limited

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Gorrel Equipment Solutions Limited

Company Information

Directors	Mr M E R Llewellyn Mrs S C Llewellyn Mr P H Richards
Registered office	Hirwaun House 13th Avenue Hirwaun Industrial Estate Aberdare Rhondda Cynon Taf CF44 9UL
Auditors	Xeinadin Audit Limited Chartered Accountants and Statutory Auditors Highdale House 7 Centre Court Main Avenue Pontypridd CF37 5YR

Gorrel Equipment Solutions Limited

(Registration number: 07605939)
Balance Sheet as at 28 February 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	<u>5</u>	15,065,571	9,830,974
Current assets			
Debtors	<u>6</u>	1,856,003	1,439,040
Cash at bank and in hand		<u>2,236,642</u>	<u>2,947,358</u>
		4,092,645	4,386,398
Creditors: Amounts falling due within one year	<u>7</u>	<u>(795,374)</u>	<u>(1,118,991)</u>
Net current assets		<u>3,297,271</u>	<u>3,267,407</u>
Total assets less current liabilities		18,362,842	13,098,381
Creditors: Amounts falling due after more than one year	<u>7</u>	(4,047,253)	(33,600)
Provisions for liabilities		<u>(635,439)</u>	<u>(290,707)</u>
Net assets		<u>13,680,150</u>	<u>12,774,074</u>
Capital and reserves			
Called up share capital		1,000	1,000
Retained earnings		<u>13,679,150</u>	<u>12,773,074</u>
Shareholders' funds		<u>13,680,150</u>	<u>12,774,074</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 and the option not to file the Income Statement has been taken.

Approved and authorised by the Board on 4 November 2022 and signed on its behalf by:

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Mr M E R Llewellyn
Director

Gorrel Equipment Solutions Limited

Statement of Changes in Equity for the Year Ended 28 February 2022

	Share capital £	Retained earnings £	Total £
At 1 March 2021	1,000	12,773,074	12,774,074
Profit for the year	-	906,076	906,076
At 28 February 2022	1,000	13,679,150	13,680,150
	Share capital £	Retained earnings £	Total £
At 1 March 2020	1,000	11,768,449	11,769,449
Profit for the year	-	1,004,625	1,004,625
At 28 February 2021	1,000	12,773,074	12,774,074

Gorrel Equipment Solutions Limited

Notes to the Financial Statements for the Year Ended 28 February 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:

Hirwaun House 13th Avenue
Hirwaun Industrial Estate
Aberdare
Rhondda Cynon Taf
CF44 9UL

The principal place of business is:

Rockingham House
Rockingham South
Smoke Lane
Avonmouth
Bristol
BS11 0YA

These financial statements were authorised for issue by the Board on 4 November 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 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 £.

Summary of disclosure exemptions

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' not to disclose related party transactions with wholly owned subsidiaries within the group.

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.

Gorrel Equipment Solutions Limited

Notes to the Financial Statements for the Year Ended 28 February 2022

Tax

The tax expense for the period comprises current and deferred 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 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.

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
Vehicles, plant and machinery	20% on cost less residual value
Computer equipment	33.33% on cost
Furniture and fittings	10% on cost

Leases

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 Income Statement and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Rental income from operating leases is recognised on a straight line basis over the period of the lease.

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Notes to the Financial Statements for the Year Ended 28 February 2022

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 Disclosure under Section 444(5b) of the Companies Act 2006

The Independent Auditor's Report was unqualified. . The name of the Senior Statutory Auditor who signed the audit report on 4 November 2022 was Lewis Van Emden, who signed for and on behalf of Xinadin Audit Limited.

4 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 21 (2021 - 21).

5 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £	Total £
Cost				
At 1 March 2021	28,581	497,660	19,569,234	20,095,475
Additions	11,507	70,665	8,769,654	8,851,826
Disposals	-	(131,811)	(2,159,890)	(2,291,701)
At 28 February 2022	40,088	436,514	26,178,998	26,655,600
Depreciation				
At 1 March 2021	8,999	218,356	10,037,146	10,264,501
Charge for the year	5,555	73,418	3,113,394	3,192,367
Eliminated on disposal	-	(94,673)	(1,772,166)	(1,866,839)
At 28 February 2022	14,554	197,101	11,378,374	11,590,029
Carrying amount				
At 28 February 2022	25,534	239,413	14,800,624	15,065,571
At 28 February 2021	19,582	279,304	9,532,088	9,830,974

All plant and equipment assets are leased out under operating leases.

Included in the above are fixed assets held under hire purchase contracts. At the balance sheet date the net book value of these assets was £95,655 (2021: £604,024). Depreciation on assets held under hire purchase contracts during the year was £125,602 (2021: £113,107).

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Notes to the Financial Statements for the Year Ended 28 February 2022

6 Debtors

Current	Note	2022 £	2021 £
Trade debtors		1,816,295	1,425,624
Amounts owed by related parties		8,808	2,400
Prepayments		11,962	11,016
Other debtors		18,938	-
		<u>1,856,003</u>	<u>1,439,040</u>

7 Creditors

Creditors: amounts falling due within one year

	Note	2022 £	2021 £
Due within one year			
Loans and borrowings	<u>9</u>	33,600	299,509
Trade creditors		409,591	406,153
Amounts owed to group undertakings and undertakings in which the company has a participating interest		53,638	50,890
Taxation and social security		241,269	306,218
Accruals and deferred income		51,489	50,435
Other creditors		5,787	5,786
		<u>795,374</u>	<u>1,118,991</u>

Creditors include net obligations under finance lease and hire purchase contracts which are secured of £33,600 (2021 - £299,509).

Creditors: amounts falling due after more than one year

	Note	2022 £	2021 £
Due after one year			
Loans and borrowings	<u>9</u>	-	33,600
Other non-current financial liabilities		4,047,253	-
		<u>4,047,253</u>	<u>33,600</u>

Creditors include net obligations under finance lease and hire purchase contracts which are secured of nil (2021 - £33,600).

Gorrel Equipment Solutions Limited

Notes to the Financial Statements for the Year Ended 28 February 2022

8 Obligations under leases and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

	2022	2021
	£	£
Later than one year and not later than five years	19,500	37,500

The amount of non-cancellable operating lease payments recognised as an expense during the year was £18,000 (2021 - £Nil).

9 Loans and borrowings

	2022	2021
	£	£
Non-current loans and borrowings		
Hire purchase contracts	-	33,600

	2022	2021
	£	£
Current loans and borrowings		
Hire purchase contracts	33,600	299,509

Hire purchase liabilities are secured on the assets to which they relate.

10 Parent and ultimate parent undertaking

The company's immediate parent is Walters Plant Hire Limited, incorporated in England and Wales.

The ultimate parent is G. Walters (Holdings) Limited, incorporated in England and Wales.

The most senior parent entity producing publicly available financial statements is G. Walters (Holdings) Limited. These financial statements are available upon request from the registered office of Gorrel Equipment Solutions Limited.

The ultimate controlling party is the Trustees: Mr G Walters, Mrs S Llewellyn, Mr R Walters and Mr P Hurn, of the G Walters Discretionary Settlement, the major shareholder of G. Walters (Holdings) Limited.

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.