

Registered number
07792617

Gower Brewery Co Limited

Filleted Accounts

31 March 2022

Gower Brewery Co Limited**Registered number:** 07792617**Balance Sheet****as at 31 March 2022**

	Notes	2022	2021
		£	£
Fixed assets			
Tangible assets	4	1,086,706	1,055,732
Current assets			
Stocks		122,189	105,304
Debtors	5	151,525	142,487
Cash at bank and in hand		24,036	110,427
		<u>297,750</u>	<u>358,218</u>
Creditors: amounts falling due within one year	6	(464,401)	(419,637)
Net current liabilities		<u>(166,651)</u>	<u>(61,419)</u>
Total assets less current liabilities		<u>920,055</u>	<u>994,313</u>
Creditors: amounts falling due after more than one year	7	(693,368)	(706,073)
Net assets		<u>226,687</u>	<u>288,240</u>
Capital and reserves			
Called up share capital		574,971	574,971
Profit and loss account		(348,284)	(286,731)
Shareholders' funds		<u>226,687</u>	<u>288,240</u>

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime. The profit and loss account has not been delivered to the Registrar of Companies.

Mr C Mabbett

Director

Approved by the board on 1 March 2023

Gower Brewery Co Limited
Notes to the Accounts
for the year ended 31 March 2022

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and 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

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources in operational existence for the foreseeable future.

The directors have undertaken a review of the company's financial position. The directors have prepared forecasts that indicate, with on-going shareholder support, and based on the anticipated level of sales, that the company will be able to operate within its current level of agreed facilities for a period of at least 12 months from the date of approval of these financial statements. The company's shareholders continue to demonstrate their commitment with investment of additional loan finance into the company.

Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Leasehold building improvements	2% straight line
Plant and equipment	between 5%-10% reducing balance basis
Motor vehicles	25% reducing balance basis

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first in first out method. The carrying amount of stock sold is recognised as

an expense in the period in which the related revenue is recognised.

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. 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. 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, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

Provisions

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

Government grants

Government grants are recognised at their 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.

Leased assets

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases. The rights of use and obligations under finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Minimum lease payments are apportioned between the finance charge and the reduction in the outstanding liability using the effective interest rate method. The finance charge is allocated to each period during the lease so as to produce a constant periodic rate of interest on the remaining balance of the liability. Leased assets are depreciated in accordance with the company's policy for tangible fixed assets. If there is no reasonable certainty that ownership will be obtained at the end of the lease term, the asset is depreciated over the lower of the lease term and its useful life. Operating lease payments are recognised as an expense on a straight line basis over the lease term.

Pensions

Contributions to defined contribution plans are expensed in the period to which they relate.

2 Audit information

The audit report is unqualified.

Senior statutory auditor: Susan Phillips
Firm: Azets Audit Services
Date of audit report: 1 March 2023

3 Employees

	2022 Number	2021 Number
Average number of persons employed by the company	20	17

4 Tangible fixed assets

	Leasehold improvements £	Plant and machinery etc £	Motor vehicles £	Total £
Cost				
At 1 April 2021	276,144	1,177,935	140,346	1,594,425
Additions	57,669	21,297	59,966	138,932
Disposals	-	-	(46,965)	(46,965)
At 31 March 2022	333,813	1,199,232	153,347	1,686,392
Depreciation				
At 1 April 2021	27,125	444,372	67,196	538,693
Charge for the year	5,548	68,057	25,466	99,071
On disposals	-	-	(38,078)	(38,078)
At 31 March 2022	32,673	512,429	54,584	599,686
Net book value				
At 31 March 2022	301,140	686,803	98,763	1,086,706
At 31 March 2021	249,019	733,563	73,150	1,055,732

5 Debtors

	2022 £	2021 £
Trade debtors	122,564	102,282
Deferred tax asset	28,961	28,961
Other debtors	-	11,244
	151,525	142,487

6 Creditors: amounts falling due within one year

2022 £	2021 £
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Bank loans and overdrafts	71,821	64,887
Obligations under finance lease and hire purchase contracts	26,289	11,611
Trade creditors	165,472	96,006
Amounts owed to parent undertaking	44,244	88,790
Taxation and social security costs	105,344	117,006
Other creditors	51,231	41,337
	<u>464,401</u>	<u>419,637</u>

The obligations under finance leases and hire purchase creditors are secured over the assets to which the obligations relate.

7 Creditors: amounts falling due after one year	2022	2021
	£	£
Bank loans	169,336	236,892
Obligations under finance lease and hire purchase contracts	35,956	20,472
Amounts owed to parent undertaking	330,641	244,183
Other creditors	157,435	204,526
	<u>693,368</u>	<u>706,073</u>

The obligations under finance leases and hire purchase creditors are secured over the assets to which the obligations relate.

Other creditors includes a loan from a director of £12,500 (2021: £12,500). The loan is unsecured, interest-free and there are no fixed terms for repayment.

Other creditors includes loans from shareholders of £7,953 (2021: £7,953). The loans are unsecured, interest-free and there are no fixed terms for repayment.

8 Loans	2022	2021
	£	£
Creditors include:		
Amounts payable otherwise than by instalment falling due for payment after more than five years	20,453	-
Instalments falling due for payment after more than five years	-	57,778
	<u>20,453</u>	<u>57,778</u>
Secured bank loans	<u>241,157</u>	<u>301,779</u>

The bank loans are secured by means of a fixed and floating charge over the assets of the company.

9 Other financial commitments	2022	2021
	£	£
Total future minimum payments under non-cancellable operating leases	<u>221,504</u>	<u>257,060</u>

10 Controlling party

The directors consider Gower Brewing Company Limited, a company registered in England & Wales, to be both the immediate & ultimate parent company, by virtue of its 75.001% shareholding of the voting ordinary share capital of the company. The directors consider there to be no ultimate controlling party.

11 Other information

Gower Brewery Co Limited is a private company limited by shares and incorporated in England. Its registered office is:

Unit 25

Crofty Industrial Estate

Penclawdd

Swansea

SA4 3RS

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