Company registration number: NI022342

Wafer Enterprises Ltd

Unaudited filleted financial statements

30 September 2019

Wafer Enterprises Ltd

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Statement of financial position

30 September 2019

	Note	2019 £	£	2018 £	£
Fixed assets					
Intangible assets	5	31,770		29,650	
Tangible assets	7	1,921,148		1,906,759	
			1,952,918		1,936,409
Current assets					
Stocks		570,121		554,193	
Debtors	7	584,558		642,020	
Cash at bank and in hand		391,744		229,554	
		1,546,423		1,425,767	
Creditors: amounts falling due within one year	8	(1,251,383)		(1,301,884)	
Net current assets			295,040		123,883
Total assets less current liabilities			2,247,958		2,060,292
Creditors: amounts falling due after more than one year	9		(353,575)		(373,764)
Provisions for liabilities			(298,960)		(293,200)
Net assets			1,595,423		1,393,328
Capital and reserves					
Called up share capital			10,000		10,000
Revaluation reserve			98,912		98,912
Profit and loss account			1,486,511		1,284,416
Shareholders funds			1,595,423		1,393,328

For the year ending 30 September 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- 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 director acknowledges their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 16 March 2020 , and are signed on behalf of the board by:

Mr Neil Doherty

Director

Company registration number: NI022342

Wafer Enterprises Ltd

Statement of changes in equity

Year ended 30 September 2019

	Called up share capital	Revaluation reserve	Profit and loss account	**Total**
	£	£	£	**£**
At 1 October 2017	10,000	100,116	993,061	1,103,177
Profit for the year			345,355	345,355
Other comprehensive income for the year:				
Tax relating to components of other comprehensive income		(1,204)	-	(1,204)
Total comprehensive income for the year	-	(1,204)	345,355	344,151
Dividends paid and payable			(54,000)	(54,000)
Total investments by and distributions to owners	-	-	(54,000)	(54,000)
At 30 September 2018 and 1 October 2018	10,000	98,912	1,284,416	1,393,328
Profit for the year			302,095	302,095
Total comprehensive income for the year	-	-	302,095	302,095
Dividends paid and payable			(100,000)	(100,000)
Total investments by and distributions to owners	-	-	(100,000)	(100,000)
At 30 September 2019	10,000	98,912	1,486,511	1,595,423

Wafer Enterprises Ltd

Notes to the financial statements

Year ended 30 September 2019

1. General information

The company is a private company limited by shares, registered in Northern Ireland. The address of the registered office is Skeoge Food Park, Beraghmore Road, Derry, Co Londonderry, BT48 8SE.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer, usually on despatch of the goods; the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised 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 that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at a revalued amount, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses. Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Combined other intangible assets	-	20 % reducing balance

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	Straight line over 50 years
Plant and machinery	-	10 % reducing balance
Motor vehicles	-	20 % reducing balance

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

Investment property

Investment property is measured initially at cost, which includes purchase price and any directly attributable expenditure. Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit or loss. If a reliable measure of fair value is not available without undue cost or effort it shall be transferred to tangible assets and accounted for under the cost model until it is expected that fair value will be reliably measurable on an on-going basis.

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model and the performance model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset. Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost. Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment. Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets or either assessed individually or grouped on the basis of similar credit risk characteristics. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 43 (2018: 44).

5. Intangible assets

	Other intangible assets	Total
	£	£
Cost		
At 1 October 2018	29,650	29,650
Additions	10,063	10,063
At 30 September 2019	39,713	39,713
Amortisation		
At 1 October 2018	-	-
Charge for the year	7,943	7,943
At 30 September 2019	7,943	7,943
Carrying amount		
At 30 September 2019	31,770	31,770
At 30 September 2018	29,650	29,650

6. Tangible assets

	Freehold property	Plant and machinery	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 October 2018	1,320,682	1,044,382	46,873	2,411,937
Additions	23,342	58,273	-	81,615
At 30 September 2019	1,344,024	1,102,655	46,873	2,493,552
Depreciation				
At 1 October 2018	58,825	422,949	23,404	505,178
Charge for the year	15,074	47,458	4,694	67,226
At 30 September 2019	73,899	470,407	28,098	572,404
Carrying amount				
At 30 September 2019	1,270,125	632,248	18,775	1,921,148
At 30 September 2018	1,261,857	621,433	23,469	1,906,759

Investment property

Included within the above is investment property as follows:

	£
At 1 October 2018	255,315
Additions	4,170
At 30 September 2019	259,485

7. Debtors

	2019	2018
	£	£
Trade debtors	563,183	553,543
Other debtors	21,375	88,477
	584,558	642,020

8. Creditors: amounts falling due within one year

	2019	2018
	£	£
Bank loans and overdrafts	468,110	430,752
Trade creditors	567,051	714,039
Corporation tax	67,152	42,661
Social security and other taxes	30,304	27,705
Other creditors	118,766	86,727
	1,251,383	1,301,884

The bank loans and overdrafts included in notes 8 and 9 are secured by fixed charges over the book debts, other receivables, the land at the company's premises at Skeoge, Londonderry and the land and premises of the investment property at Ferryquay Street, Londonderry.

9. Creditors: amounts falling due after more than one year

	2019	2018
	£	£
Bank loans and overdrafts	344,050	352,972
Other creditors	9,525	20,792
	353,575	373,764

See note 8 for disclosures relating to security given by the company.

10. Directors advances, credits and guarantees

During the year the director entered into the following advances and credits with the company:

2019

	Balance brought forward	Advances /(credits) to the director	Amounts repaid	Balance o/standing
	£	**£**	**£**	**£**
Mr Neil Doherty	(27,463)	(70,000)	45,929	(51,534)

2018

	Balance brought forward	Advances /(credits) to the director	Amounts repaid	Balance o/standing
	£	£	£	£
Mr Neil Doherty	(29,039)	(37,800)	39,376	(27,463)

11. Controlling party

The company is under the ultimate control of Mr Neil Doherty by virtue of his controlling shareholding in the company.

12. Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affect both current and future periods. The director has considered the mapping of line items in the statement of comprehensive income to achieve better presentation in accordance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Comparative figures have been reclassified accordingly.