

PEGWN FINANCE LTD

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 AUGUST 2023

PEGWN FINANCE LTD
REGISTERED NUMBER:09724708

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	5	190,771	149,629
		<u>190,771</u>	<u>149,629</u>
Current assets			
Stocks		11,308	29,894
Debtors: amounts falling due within one year	6	455,680	518,095
		<u>466,988</u>	<u>547,989</u>
Creditors: amounts falling due within one year	7	(282,660)	(237,793)
Net current assets		<u>184,328</u>	<u>310,196</u>
Total assets less current liabilities		<u>375,099</u>	<u>459,825</u>
Creditors: amounts falling due after more than one year	8	(164,546)	(174,023)
Provisions for liabilities			
Deferred tax		(2,636)	(34,846)
		<u>(2,636)</u>	<u>(34,846)</u>
Net assets		<u><u>207,917</u></u>	<u><u>250,956</u></u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		207,817	250,856
		<u><u>207,917</u></u>	<u><u>250,956</u></u>

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 31 May 2024.

G Price

Director

The notes on pages 3 to 10 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. General information

Pegwn Finance Ltd is a private limited company listed by shares and it is incorporated and domiciled in Wales. The address of its registered office is Cysgod Y Plas, Castell Pigyn, Abergwili, Carmarthen, SA31 2JL.

The principal activity of Pegwn Finance Ltd is consultancy services.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

2.3 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

2.4 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.5 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.6 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Plant and machinery	-	25%
Motor vehicles	-	25%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.8 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is 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.

2.9 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

2.11 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.12 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. In the opinion of the directors there are no estimates nor assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Employees

The average monthly number of employees, including directors, during the year was 2 (2022 - 1).

PEGWN FINANCE LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

5. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation			
At 1 September 2022	191,250	9,750	201,000
Additions	89,865	-	89,865
At 31 August 2023	281,115	9,750	290,865
Depreciation			
At 1 September 2022	48,476	2,895	51,371
Charge for the year on owned assets	10,352	-	10,352
Charge for the year on financed assets	36,657	1,714	38,371
At 31 August 2023	95,485	4,609	100,094
Net book value			
At 31 August 2023	185,630	5,141	190,771
At 31 August 2022	142,774	6,855	149,629

6. Debtors

	2023 £	2022 £
Trade debtors	26,963	41,051
Other debtors	428,717	477,044
	455,680	518,095

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

7. Creditors: Amounts falling due within one year

	2023 £	2022 £
Bank overdrafts	24,294	17,359
Other loans	29,264	30,150
Trade creditors	27,048	7,070
Corporation tax	48,891	90,949
Other taxation and social security	22,280	14,153
Obligations under finance lease and hire purchase contracts	28,335	25,060
Other creditors	43,641	1,403
Accruals and deferred income	58,907	51,649
	<u>282,660</u>	<u>237,793</u>

The amount of £9,200 included in creditors due within one year is subject to a UK Government guarantee. The facility is provided through the Bounce Back Loan Scheme (BBLS), managed by the British Business Bank on behalf of and with the financial backing of the Secretary of State for Business, Energy and Industrial Strategy. The BBLS guarantee is provided to the lender.

8. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Bank loans	68,533	92,069
Net obligations under finance leases and hire purchase contracts	96,013	81,954
	<u>164,546</u>	<u>174,023</u>

The amount of £63,003 included in creditors due after one year is subject to a UK Government guarantee. The facility is provided through the Bounce Back Loan Scheme (BBLS), managed by the British Business Bank on behalf of and with the financial backing of the Secretary of State for Business, Energy and Industrial Strategy. The BBLS guarantee is provided to the lender.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

9. Loans

Analysis of the maturity of loans is given below:

	2023 £	2022 £
Amounts falling due within one year		
Other loans	29,264	30,150
	<u>29,264</u>	<u>30,150</u>
Amounts falling due 2-5 years		
Bank loans	56,256	73,878
	<u>56,256</u>	<u>73,878</u>
Amounts falling due after more than 5 years		
Bank loans	12,278	18,191
	<u>12,278</u>	<u>18,191</u>
	<u>97,798</u>	<u>122,219</u>

10. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2023 £	2022 £
Within one year	28,335	25,060
More than one year	96,013	81,503
	<u>124,348</u>	<u>106,563</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

11. Deferred taxation

	2023 £
At beginning of year	34,846
Charged to profit or loss	(32,210)
At end of year	<u>2,636</u>

The provision for deferred taxation is made up as follows:

	2023 £	2022 £
Accelerated capital allowances	24,740	36,320
Tax losses carried forward	(22,104)	(1,474)
	<u>2,636</u>	<u>34,846</u>

12. Share capital

	2023 £	2022 £
Allotted, called up and fully paid		
100 (2022 - 100) Ordinary shares of £1.00 each	<u>100</u>	<u>100</u>

13. Reserves

Profit and loss account

The profit and loss account represents the accumulated profits of the Company since incorporation less distributions made to shareholders.

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