

**OGM (SW) LIMITED**

**AUDITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MAY 2022**



**OGM (SW) LIMITED**  
**REGISTERED NUMBER: 11059480**

**BALANCE SHEET**  
**AS AT 31 MAY 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	5	1,937,581	782,338
		<u>1,937,581</u>	<u>782,338</u>
<b>Current assets</b>			
Stocks	6	612,738	438,592
Debtors: amounts falling due within one year	7	989,996	852,512
Cash at bank and in hand	8	569	680,024
		<u>1,603,303</u>	<u>1,971,128</u>
Creditors: amounts falling due within one year	9	(3,478,600)	(2,853,815)
<b>Net current liabilities</b>		<u>(1,875,297)</u>	<u>(882,687)</u>
<b>Total assets less current liabilities</b>		<u>62,284</u>	<u>(100,349)</u>
Creditors: amounts falling due after more than one year	10	(39,931)	(104,052)
<b>Provisions for liabilities</b>			
Deferred tax	12	(176,000)	(13,000)
		<u>(176,000)</u>	<u>(13,000)</u>
<b>Net liabilities</b>		<u><u>(153,647)</u></u>	<u><u>(217,401)</u></u>
<b>Capital and reserves</b>			
Called up share capital		100	100
Profit and loss account		(153,747)	(217,501)
		<u>(153,647)</u>	<u>(217,401)</u>

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**OGM (SW) LIMITED**  
**REGISTERED NUMBER: 11059480**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 MAY 2022**

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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 income and retained earnings 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 by:

DocuSigned by:  
  
.....622C12443706456.....  
**P Wightman**  
Director

Date: 27-02-23

The notes on pages 3 to 15 form part of these financial statements.

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**OGM (SW) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2022**

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**1. General information**

OGM (SW) Limited is a private Company limited by share capital, incorporated in England and Wales, registration number 11059480. The Company's principal place of business is Unit 6-7 West Road Penallta Industrial Estate, Hengoed CF82 7SW.

**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 Going concern**

The board of directors is of the opinion that the company is a going concern, as such the accounts have been prepared on the going concern basis.

The board of directors have a reasonable expectation that the company has adequate resources to continue its operations for a period of at least 12 months from the date that the financial statements are approved. The key method for assessing going concern is through the business planning process which considers profitability, liquidity and solvency. The business planning process considers the company's business activities, together with factors likely to affect its future development, successful performance and position, and key risks in the current economic climate.

These plans have been updated to take into consideration the current information available in respect of the ongoing COVID-19 pandemic, Brexit, and the war in Ukraine which has led to a recent deterioration in global economic conditions.

Whilst full financial implications are not yet known, the validity of this assumption depends on the continued support from the other group Companies, Company's financiers, creditors and the ability to have sufficient working capital in the foreseeable future.

The Directors are not aware of any reason why the support from the other group Companies, Company's financiers and other creditors will not be renewed. The continuation of this support is critical to the Company's ability to meet its liabilities as they fall due.

Should the going concern basis of preparation of the financial statements be found to be inappropriate should such support be withdrawn by the financiers or there was insufficient working capital for the company to continue as a going concern adjustments may have to be made to reduce the value of assets to their recoverable amount, to provide further liabilities that might arise and to reclassify fixed assets and long term liabilities as current assets and liabilities respectively, both adjustments having a consequent effect on the profit and loss account. It is not practical to quantify these potential adjustments which are not included in these financial statements.

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**OGM (SW) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2022**

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**2. Accounting policies (continued)****2.3 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.

**2.4 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, using the straight-line method.

Depreciation is provided on the following basis:

Short-term leasehold property	-	20%	Straight line
Plant and machinery	-	10%	Straight line
Motor vehicles	-	20%	Straight line
Fixtures and fittings	-	20%	Straight line
Office equipment	-	20%	Straight line

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.

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**OGM (SW) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2022**

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**2. Accounting policies (continued)**

**2.5 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.

**2.6 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.

**2.7 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.8 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.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**2.9 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.

**2.10 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 Income and Retained Earnings in the same period as the related expenditure.

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**OGM (SW) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2022**

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**2. Accounting policies (continued)**

**2.11 Foreign currency translation**

**Functional and presentation currency**

The Company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Income and Retained Earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

**2.12 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.

**2.13 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

**2.14 Pensions**

**Defined contribution pension plan**

The Company contributes to a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

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**OGM (SW) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2022**

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**2. Accounting policies (continued)**

**2.15 Borrowing costs**

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

**2.16 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.

**2.17 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.

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**OGM (SW) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2022**

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**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 of future events that are believed to be reasonable under the circumstances. The key judgments are as follows:-

**Property, plant and equipment:**

Property, plant and equipment are depreciated over their useful economic life taking into account, where appropriate, residual values. Assessment of useful lives and residual values are performed annually. In assessing the residual values, the remaining life of the asset, its projected disposal value and future market conditions are taken into account.

**4. Employees**

The average monthly number of employees, including directors, during the year was 40 (2021 - 40).

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**OGM (SW) LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2022**


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**5. Tangible fixed assets**

	Short-term leasehold property £	Plant and machinery etc £	Total £
<b>Cost</b>			
At 1 June 2021	118,146	1,382,091	1,500,237
Additions	345,994	1,037,337	1,383,331
At 31 May 2022	<u>464,140</u>	<u>2,419,428</u>	<u>2,883,568</u>
<b>Depreciation</b>			
At 1 June 2021	24,699	693,199	717,898
Charge for the year on owned assets	25,082	203,007	228,089
At 31 May 2022	<u>49,781</u>	<u>896,206</u>	<u>945,987</u>
<b>Net book value</b>			
At 31 May 2022	<u>414,359</u>	<u>1,523,222</u>	<u>1,937,581</u>
At 31 May 2021	<u>93,447</u>	<u>688,891</u>	<u>782,338</u>

**6. Stocks**

	2022 £	2021 £
Raw materials and consumables	406,866	282,088
Finished goods and goods for sale	205,872	156,504
	<u>612,738</u>	<u>438,592</u>

**7. Debtors**

	2022 £	2021 £
Trade debtors	880,343	711,953
Other debtors	19,723	55,051
Prepayments and accrued income	89,930	85,508

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**OGM (SW) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2022**

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**7. Debtors (continued)**

<u>989,996</u>	<u>852,512</u>
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**8. Cash and cash equivalents**

	<b>2022</b>	<b>2021</b>
	£	£
Cash at bank and in hand	<b>569</b>	<b>680,024</b>
	<u><b>569</b></u>	<u><b>680,024</b></u>

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**OGM (SW) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2022**

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**9. Creditors: Amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Bank loans	<b>63,926</b>	61,730
Trade creditors	<b>386,813</b>	145,281
Amounts owed to group undertakings	<b>2,551,443</b>	1,720,239
Corporation tax	-	105,315
Other taxation and social security	<b>39,337</b>	236,183
Other creditors	<b>194,272</b>	12,277
Accruals and deferred income	<b>242,809</b>	572,790
	<u><b>3,478,600</b></u>	<u><b>2,853,815</b></u>

The loan balance included under amounts owed to group undertakings is interest free and there is no fixed date of repayment.

The following liabilities were secured:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Chattels mortgage	<b>63,926</b>	61,730
Invoice finance	<b>185,223</b>	-
	<u><b>249,149</b></u>	<u><b>61,730</b></u>

Details of security provided:

Invoice finance loan is secured with a legal charge over the trade receivables of the Company.

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**OGM (SW) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**10. Creditors: Amounts falling due after more than one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Bank loans	<b>39,931</b>	<b>104,052</b>
	<u><b>39,931</b></u>	<u><b>104,052</b></u>

The following liabilities were secured:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Chattels mortgage	<b>39,930</b>	<b>104,052</b>
	<u><b>39,930</b></u>	<u><b>104,052</b></u>

Details of security provided:

Chattels mortgage loan is secured with a legal charge over specific assets of the Company.

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**OGM (SW) LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2022**


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**11. Loans**

Analysis of the maturity of loans is given below:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year</b>		
Bank loans	<b>63,926</b>	<b>61,730</b>
	<u><b>63,926</b></u>	<u><b>61,730</b></u>
<b>Amounts falling due 1-2 years</b>		
Bank loans	<b>39,930</b>	<b>63,926</b>
	<u><b>39,930</b></u>	<u><b>63,926</b></u>
<b>Amounts falling due 2-5 years</b>		
Bank loans	<b>-</b>	<b>40,126</b>
	<u><b>-</b></u>	<u><b>40,126</b></u>
	<u><b>103,856</b></u>	<u><b>165,782</b></u>

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**OGM (SW) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2022**

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**12. Deferred taxation**

	<b>2022</b> £
At beginning of year	(13,000)
Charged to profit or loss	(163,000)
<b>At end of year</b>	<b>(176,000)</b>

The provision for deferred taxation is made up as follows:

	<b>2022</b> £	2021 £
Accelerated capital allowances	(176,000)	(13,000)
	<u>(176,000)</u>	<u>(13,000)</u>

**13. Pension commitments**

The Company contributes to a defined benefit pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £34,949 (2021: £35,958). At the balance sheet date the company owed £Nil (2021: £4,118) to the scheme.

**14. Commitments under operating leases**

At 31 May 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	<b>2022</b> £	2021 £
Not later than 1 year	-	110,000
Later than 1 year and not later than 5 years	-	440,000
Later than 5 years	-	165,000
	<u>-</u>	<u>715,000</u>

**15. Related party transactions**

The Company have taken advantage of the exemption under FRS102 section 33 paragraph 1a and therefore have not reported the related party transactions or balances of Companies within the group.

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**OGM (SW) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2022**

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**16. Post balance sheet events**

The company continues to monitor the effects of the ongoing COVID-19 pandemic, Brexit, and the war in Ukraine which has adversely impacted the global economic environment.

The board of directors consider the above factors to be non-adjusting post balance sheet events and hence any future impact is likely to be in connection with the assessment of the fair value of assets and liabilities affected, in future periods investments at future valuation dates.

There are no other significant subsequent events that need to be disclosed or reflected in the annual accounts.

**17. Controlling party**

The parent undertaking is Owen Greenings & Mumford Limited. The ultimate parent undertaking is Owen Greenings & Mumford (Holdings) Ltd. There is no ultimate controlling party.

**18. Auditor's information**

The auditor's report on the financial statements for the year ended 31 May 2022 was unqualified.

The audit report was signed on 27-02-23 by Mr Matthew Wyatt (Senior Statutory Auditor) on behalf of Wellers.