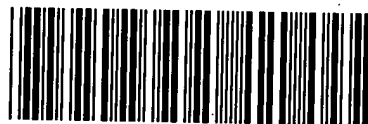


Company Registration No. 08786708 (England and Wales)

GIBBS GILLESPIE SALES LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

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GIBBS GILLESPIE SALES LIMITED

COMPANY INFORMATION

Directors	P J Gillespie J G Gibbs R W Gibbs
Company number	08786708
Registered office	Batchworth House Batchworth Place Church Street Rickmansworth Hertfordshire WD3 1JE
Auditor	Mercer & Hole Batchworth House Batchworth Place Church Street Rickmansworth Hertfordshire WD3 1JE
Business address	Chapel Lane Chambers 1 Chapel Lane Pinner Middlesex HA5 1AA

GIBBS GILLESPIE SALES LIMITED

CONTENTS

	Page
Strategic report	1 - 2
Directors' report	3 - 4
Independent auditor's report	5 - 6
Profit and loss account	7
Statement of comprehensive income	8
Balance sheet	9
Statement of changes in equity	10
Statement of cash flows	11
Notes to the financial statements	12 - 24

GIBBS GILLESPIE SALES LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present the strategic report for the year ended 31 December 2015.

Fair review of the business

Financial position at the reporting date

The balance sheet shows that the company's net assets at the year end were £569,029.

The company generated cash from operations of £1,390,690 and has invested £17,643 in fixed assets.

Development and performance

As reported in the company's profit and loss account on page 7, turnover was £5,538,437. This is a 5.2% increase on 2014. This is primarily due to increasing sales from new offices, which have now fully established themselves in the community by upholding the high level of customer services the Gibbs Gillespie brand demands.

Profit before tax and deduction of amortisation of goodwill is £882,100 (2014 - £841,733).

The company continues to focus on its core activity, particularly increasing turnover for the newer offices whilst maintaining the high level of performance experienced by the established offices.

Key performance indicators

Management use a range of performance measures to monitor and manage the business. The KPIs used to determine the progress and performance of the company are set out below:

Turnover

Turnover has increased by 5.2% compared to 2014.

EBITDA

The EBITDA for the year amounts to £955,675 (2014 - £897,707). The directors are pleased with this result and hope it will continue and increase as the new offices develop.

Advertising to turnover

The total advertising cost was 13% of turnover. This is a slight increase compared to 12% in the 2014 accounts.

GIBBS GILLESPIE SALES LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

Principal risks and uncertainties

Management continually monitor the key risks facing the company, together with assessing the controls used for managing these risks. The board of directors formally reviews and documents the principal risks facing the business at least annually.

The principal risks and uncertainties facing the company are as follows:

Economy

The short-term strategy is to position the company appropriately for current levels of activity whilst preparing for opportunities in the future.

Legislative

The company has systems and procedures in place to ensure compliance with, and to manage, the impact of changes in Government and ARLA legislation.

Financial and Liquidity

The company's forecasts and projections show that the company should be able to operate within its current facilities for a period of at least the next 12 months. Management continues to monitor and control working capital and capital expenditure requirements very closely.

Competitor pressure

The market in which the company operates is considered to be extremely competitive, and therefore competitor pressure could result in losing sales to key competitors. The company manages this risk by providing a very high level of client service.

Loss of key personnel

This could present operational difficulties for the company. Management seek to ensure that key personnel are appropriately remunerated to ensure that good performance is recognised.

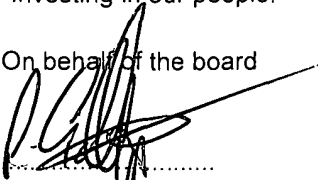
Other information and explanations

Strategy & Future Developments

The objective of the company is to achieve profitable growth and a sustainable business by capitalising on its reputation and regional presence. We aim to achieve this through:

- Strong brand recognition and the reputation attached to it.
- Maintaining a strong database of buyers.
- Utilising the skills of the company's very experienced staff.
- Investing in our people.

On behalf of the board



.....
P J Gillespie

Director

..... 22/12/2016

GIBBS GILLESPIE SALES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their report and financial statements for the year ended 31 December 2015.

Principal activities

The principal activity of the company throughout the current year was that of real estate management.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

P J Gillespie
J G Gibbs
R W Gibbs

Results and dividends

The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Auditor

In accordance with the company's articles, a resolution proposing that Mercer & Hole be reappointed as auditor of the company will be put at a General Meeting.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

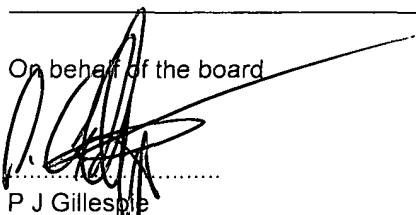
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

GIBBS GILLESPIE SALES LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

On behalf of the board



.....
P J Gillespie

Director

21/12/2015

GIBBS GILLESPIE SALES LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GIBBS GILLESPIE SALES LIMITED

We have audited the financial statements of Gibbs Gillespie Sales Limited for the year ended 31 December 2015 set out on pages 7 to 24. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on pages 3 - 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

GIBBS GILLESPIE SALES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

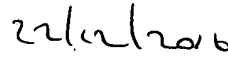
TO THE MEMBERS OF GIBBS GILLESPIE SALES LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

David Jones FCA (Senior Statutory Auditor)
for and on behalf of Mercer & Hole



Chartered Accountants
Statutory Auditor

Batchworth House
Batchworth Place
Church Street
Rickmansworth
Hertfordshire
WD3 1JE

GIBBS GILLESPIE SALES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £	2014 £
Turnover	3	5,538,437	5,263,715
Administrative expenses		(5,103,885)	(4,784,564)
Other operating income		17,125	16,600
Operating profit	4	451,677	495,751
Interest receivable and similar income	7	31	59
Interest payable and similar charges	8	(12,941)	(4,077)
Profit before taxation		438,767	491,733
Taxation	9	(181,626)	(179,945)
Profit for the financial year		257,141	311,788

The profit and loss account has been prepared on the basis that all operations are continuing operations.

GIBBS GILLESPIE SALES LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2015

	2015	2014
	£	£
Profit for the year	257,141	311,788
Other comprehensive income	-	-
Total comprehensive income for the year	257,141	311,788

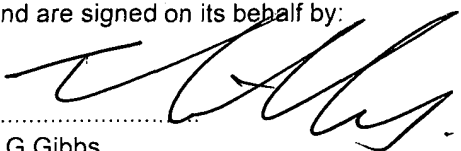
GIBBS GILLESPIE SALES LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2015

	Notes	2015 £	£	2014 £	£
Fixed assets					
Goodwill	10	6,206,667		6,650,000	
Tangible assets	11	185,797		228,819	
		<u>6,392,464</u>		<u>6,878,819</u>	
Current assets					
Debtors	13	518,128		539,828	
Cash at bank and in hand		440,704		623,435	
		<u>958,832</u>		<u>1,163,263</u>	
Creditors: amounts falling due within one year	15	<u>(6,552,527)</u>		<u>(2,656,591)</u>	
Net current liabilities		<u>(5,593,695)</u>		<u>(1,493,328)</u>	
Total assets less current liabilities		<u>798,769</u>		<u>5,385,491</u>	
Creditors: amounts falling due after more than one year	16	(192,580)		(5,027,839)	
Provisions for liabilities	17	(37,160)		(45,764)	
Net assets		<u>569,029</u>		<u>311,888</u>	
Capital and reserves					
Called up share capital	19	100		100	
Profit and loss reserves		568,929		311,788	
Total equity		<u>569,029</u>		<u>311,888</u>	

The financial statements were approved by the board of directors and authorised for issue on 22/12/2016 and are signed on its behalf by:


J G Gibbs
Director

Company Registration No. 08786708

GIBBS GILLESPIE SALES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 January 2014		-	-	-
Year ended 31 December 2014:				
Profit and total comprehensive income for the year		-	311,788	311,788
Issue of share capital	19	100	-	100
Balance at 31 December 2014		100	311,788	311,888
Year ended 31 December 2015:				
Profit and total comprehensive income for the year		-	257,141	257,141
Balance at 31 December 2015		100	568,929	569,029

GIBBS GILLESPIE SALES LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £	£	2014 £	£
Cash flows from operating activities					
Cash generated from operations	25	1,392,027		1,525,941	
Interest paid		(12,941)		(4,077)	
Income taxes paid		(106,807)		-	
Net cash inflow from operating activities		1,272,279		1,521,864	
Investing activities					
Purchase of intangible assets		-	(7,000,000)		
Purchase of tangible fixed assets		(17,643)	(280,775)		
Interest received		31	59		
Net cash used in investing activities		(17,612)		(7,280,716)	
Financing activities					
Proceeds from issue of shares		-	100		
(Repayment)/increase of borrowings		(1,676,391)	6,309,440		
Increase in value of bank loans		238,993	72,747		
Net cash (used in)/generated from financing activities		(1,437,398)		6,382,287	
Net (decrease)/increase in cash and cash equivalents		(182,731)		623,435	
Cash and cash equivalents at beginning of year		623,435		-	
Cash and cash equivalents at end of year		440,704		623,435	

GIBBS GILLESPIE SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

Company information

Gibbs Gillespie Sales Limited is a company limited by shares incorporated in England and Wales. The registered office is Batchworth House, Batchworth Place, Church Street, Rickmansworth, Hertfordshire, WD3 1JE.

1.1 Accounting convention

These financial statements have been prepared 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.

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.

These financial statements for the year ended 31 December 2015 are the first financial statements of Gibbs Gillespie Sales Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

The accounts have been prepared on a going concern basis as the directors have pledged to provide continued financial support to the company.

1.3 Turnover

Turnover represents invoiced estate agent fees net of VAT and trade discounts.

Income is recognised in the accounting period in which the service is rendered, by reference to the date the contracts are exchanged for each property.

1.4 Intangible fixed assets - goodwill

Goodwill is being written off in equal annual installments over 15 years which is the directors current estimate of the period over which the economic benefit of the brand value at acquisition will be derived. If there is an indication that there has been a significant change to the remaining estimated useful economic life the amortisation will be revised prospectively to reflect the new expectation.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	25% on cost
Equipment, fixtures and fittings	25% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

GIBBS GILLESPIE SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

(Continued)

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. A reversal of an impairment loss is recognised immediately in profit or loss.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

These financial statements for the year ended 31 December 2015 are the first financial statements of Gibbs Gillespie Sales Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

Trade debtors, loans and other receivables that have fixed or determinable payments are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

GIBBS GILLESPIE SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Classification of financial liabilities

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from directors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

GIBBS GILLESPIE SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

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

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are 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 affects both current and future periods.

GIBBS GILLESPIE SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

2 Judgements and key sources of estimation uncertainty

(Continued)

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Recoverability of receivable

The company establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability the directors consider factors such as the ageing of the receivables, past experience of recoverability, and the credit profile of individual or groups of customers.

Determining residual values and useful economic lives of tangible fixed assets (property, plant and equipment)

The company depreciates tangible assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

Judgement is applied by management when determining the residual values for tangible fixed assets. When determining the residual value management aim to assess the amount that the company would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. Where possible this is done with reference to external market prices.

Impairment of goodwill

Determining whether goodwill is impaired requires an estimate of the ongoing value of the brand to which the goodwill relates. For the current year the estimated useful life of the goodwill was revised down to 15 remaining years which reflects the directors current estimate of the remaining useful life.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2015 £	2014 £
Turnover		
Total turnover	5,538,437	5,263,715
Turnover analysed by geographical market		
	2015 £	2014 £
United Kingdom	5,538,437	5,263,715

GIBBS GILLESPIE SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

4 Operating profit

	2015	2014
	£	£
Operating profit for the year is stated after charging/(crediting):		
Fees payable to the company's auditor for the audit of the company's financial statements	9,380	8,000
Depreciation of owned tangible fixed assets	60,665	51,956
Amortisation of intangible assets	443,333	350,000
Operating lease charges	183,889	239,348
	<u> </u>	<u> </u>

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2015	2014
	Number	Number
Senior management	3	3
Other staff	143	133
	<u> </u>	<u> </u>
	146	136
	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	2015	2014
	£	£
Wages and salaries	2,536,488	2,256,345
Social security costs	268,963	237,031
Pension costs	27,863	10,908
	<u> </u>	<u> </u>
	2,833,314	2,504,284
	<u> </u>	<u> </u>

6 Directors' remuneration

	2015	2014
	£	£
Remuneration for qualifying services	16,056	11,934
	<u> </u>	<u> </u>

7 Interest receivable and similar income

	2015	2014
	£	£
Interest income		
Interest on bank deposits	31	59
	<u> </u>	<u> </u>

GIBBS GILLESPIE SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

8 Interest payable and similar charges

	2015	2014
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	4,065	4,077
Other finance costs:		
Other interest	8,876	-
	<u>12,941</u>	<u>4,077</u>

9 Taxation

	2015	2014
	£	£
Current tax		
UK corporation tax on profits for the current period	190,230	134,181
Deferred tax		
Origination and reversal of timing differences	(8,604)	45,764
	<u>181,626</u>	<u>179,945</u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2015	2014
	£	£
Profit before taxation	438,767	491,733
Expected tax charge based on the standard rate of corporation tax in the UK of 20.25% (2014: 21.49%)	88,850	105,673
Tax effect of expenses that are not deductible in determining taxable profit	3,188	2,475
Permanent capital allowances in excess of depreciation	98,487	26,033
Deferred tax adjustments in respect of prior years	(8,604)	45,764
Provisions tax adjustment	(295)	-
	<u>181,626</u>	<u>179,945</u>

GIBBS GILLESPIE SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

10 Intangible fixed assets

	Goodwill £
Cost	
At 1 January 2015 and 31 December 2015	7,000,000
Amortisation and impairment	
At 1 January 2015	350,000
Amortisation charged for the year	443,333
At 31 December 2015	793,333
Carrying amount	
At 31 December 2015	6,206,667
At 31 December 2014	6,650,000

11 Tangible fixed assets

	Plant and machinery £	Equipment, fixtures and fittings £	Total £
Cost			
At 1 January 2015	3,570	277,205	280,775
Additions	7,950	9,693	17,643
At 31 December 2015	11,520	286,898	298,418
Depreciation and impairment			
At 1 January 2015	446	51,510	51,956
Depreciation charged in the year	1,058	59,607	60,665
At 31 December 2015	1,504	111,117	112,621
Carrying amount			
At 31 December 2015	10,016	175,781	185,797
At 31 December 2014	3,124	225,695	228,819

12 Financial instruments

	2015 £	2014 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	875,598	1,067,323
Carrying amount of financial liabilities		
Measured at amortised cost	6,245,529	7,284,530

GIBBS GILLESPIE SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

13 Debtors

	2015	2014
	£	£
Amounts falling due within one year:		
Trade debtors	434,894	443,888
Prepayments and accrued income	83,234	95,940
	<u>518,128</u>	<u>539,828</u>

Trade debtors disclosed above are measured at amortised cost.

14 Loans and overdrafts

	2015	2014
	£	£
Bank loans	311,740	72,747
Directors' loans	4,633,049	6,309,440
	<u>4,944,789</u>	<u>6,382,187</u>
Payable within one year	4,752,209	1,354,348
Payable after one year	<u>192,580</u>	<u>5,027,839</u>

The long-term bank loans are secured by a cross guarantee between Gibbs Gillespie Sales Limited and Gibbs Gillespie Lettings Limited as well as a personal guarantee by J Gibbs and P Gillespie.

15 Creditors: amounts falling due within one year

	Notes	2015	2014
		£	£
Bank loans and overdrafts	14	119,160	54,348
Trade creditors		52,006	132,065
Corporation tax		217,604	134,181
Other taxation and social security		218,669	230,955
Other creditors		5,881,783	2,070,278
Accruals and deferred income		63,305	34,764
		<u>6,552,527</u>	<u>2,656,591</u>

16 Creditors: amounts falling due after more than one year

	Notes	2015	2014
		£	£
Bank loans and overdrafts	14	192,580	18,399
Other borrowings	14	-	5,009,440
		<u>192,580</u>	<u>5,027,839</u>

GIBBS GILLESPIE SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

17 Provisions for liabilities

	Notes	2015 £	2014 £
Deferred tax liabilities	18	37,160	45,764
		<u>37,160</u>	<u>45,764</u>

18 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2015 £	Liabilities 2014 £
Balances:		
ACAs	37,160	-
	<u>37,160</u>	<u>-</u>
Statutory database figures differ from the trial balance:		
Deferred tax balances	37,160	45,764
Difference	-	(45,764)
		<u>2015 £</u>
Movements in the year:		
Liability at 1 January 2015		45,764
Credit to profit or loss		(8,604)
		<u>37,160</u>
Liability at 31 December 2015		<u>37,160</u>

The deferred tax liability set out above is expected to reverse over the life of the individual qualifying assets and relates to accelerated capital allowances that are expected to mature within the same period.

19 Share capital

	2015 £	2014 £
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

GIBBS GILLESPIE SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

20 Retirement benefit schemes

	2015	2014
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	27,863	10,908
	<u>27,863</u>	<u>10,908</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £27,863 (2014 - £10,908).

At 31 December 2015 contributions amounting to £214 (2014 - £1,672) were payable to the fund and included in other creditors.

21 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2015	2014
	£	£
Within one year	14,272	-
Between two and five years	43,425	55,172
In over five years	198,900	170,400
	<u>256,597</u>	<u>225,572</u>

22 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, including directors, is as follows.

	2015	2014
	£	£
Aggregate compensation	16,056	-
	<u>16,056</u>	<u>-</u>

The directors, J G Gibbs and P J Gillespie have provided a personal guarantee for the company's bank loan.

GIBBS GILLESPIE SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

22 Related party transactions

(Continued)

Included in other creditors are balances of £1,233,239 (2014 - £688,657) and £12,744 (2014 - £44,187) owed to Gibbs Gillespie Lettings Limited and The Mortgage and Insurance Bureau Limited respectively. Both companies are registered in England and Wales and are related by virtue of the fact that they are under common control.

During the year the following transactions were recharged from/(to) the company;

Gibbs Gillespie Lettings Limited	£544,582
The Mortgage and Insurance Bureau Limited	(£31,443)

23 Directors' transactions

Transactions in relation to loans with directors during the year are outlined in the table below:

The balances have been split between creditors due within one year as follows;

	Due in less than one year
J G Gibbs	£1,404,250
P J Gillespie	£1,558,823
R W Gibbs	£1,669,976
TOTAL	£4,633,049

24 Controlling party

There was no overall controlling party throughout the current or prior year.

GIBBS GILLESPIE SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

25 Cash generated from operations

	2015	2014
	£	£
Profit for the year after tax	257,141	311,788
Adjustments for:		
Taxation charged	181,626	179,945
Finance costs	12,941	4,077
Investment income	(31)	(59)
Amortisation and impairment of intangible assets	443,333	350,000
Depreciation and impairment of tangible fixed assets	60,665	51,956
Movements in working capital:		
Decrease/(increase) in debtors	21,700	(539,828)
Increase in creditors	414,652	1,168,062
Cash generated from operations	<u>1,392,027</u>	<u>1,525,941</u>

Major non-cash transactions

On incorporation, in 2014, goodwill of £7,000,000 was capitalised. This was a major non-cash transaction which was allocated between the shareholders as a creditor and will be withdrawn from the company periodically, when there is sufficient cash available.