

Company Registration No. 08786708 (England and Wales)

GIBBS GILLESPIE SALES LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019
PAGES FOR FILING WITH REGISTRAR



GIBBS GILLESPIE SALES LIMITED

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GIBBS GILLESPIE SALES LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Intangible assets	3	3,576,177		3,908,300	
Tangible assets	4	195,680		208,028	
		<u>3,771,857</u>		<u>4,116,328</u>	
Current assets					
Debtors	5	434,814		496,888	
Cash at bank and in hand		477,502		297,786	
		<u>912,316</u>		<u>794,674</u>	
Creditors: amounts falling due within one year	6	<u>(2,359,198)</u>		<u>(2,642,650)</u>	
Net current liabilities			<u>(1,446,882)</u>		<u>(1,847,976)</u>
Total assets less current liabilities			<u>2,324,975</u>		<u>2,268,352</u>
Creditors: amounts falling due after more than one year	7		(766,228)		(1,196,946)
Provisions for liabilities			<u>(31,944)</u>		<u>(33,405)</u>
Net assets			<u><u>1,526,803</u></u>		<u><u>1,038,001</u></u>
Capital and reserves					
Called up share capital	9		100		100
Profit and loss reserves	10		1,526,703		1,037,901
Total equity			<u><u>1,526,803</u></u>		<u><u>1,038,001</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

GIBBS GILLESPIE SALES LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2019

The financial statements were approved by the board of directors and authorised for issue on 15/6/2020
and are signed on its behalf by:

.....
J G Gibbs
Director

Company Registration No. 08786708

GIBBS GILLESPIE SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Company information

Gibbs Gillespie Sales Limited is a private 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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

These financial statements are prepared on the going concern basis. In recent months, COVID-19 has been dominating the world social and economic climate. The Directors have assessed the risks associated with COVID-19 and in their opinion there is no material concern surrounding going concern.

The Directors confirm the company is enjoying a strong trading performance in 2020 and are confident that this will continue into 2021.

1.3 Turnover

Turnover represents invoiced estate agent fees net of value added tax.

Income in relation to commissions on a purchase of property services is recognised in the accounting period in which the service is rendered, by reference to the date the contracts are exchanged for each property.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

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 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation 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:

Development Costs	25% on cost
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GIBBS GILLESPIE SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.6 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 of assets less their residual values over their useful lives on the following bases:

Plant and machinery	25% on cost
Equipment, fixtures and fittings	10%/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.

1.7 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. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

1.8 Cash and cash equivalents

Cash at bank and in hand 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.

1.9 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.

GIBBS GILLESPIE SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

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.

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.

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 and 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

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.

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.

1.10 Equity instruments

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

1.11 Taxation

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

GIBBS GILLESPIE SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

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.

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 tax 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 and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 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.

1.13 Retirement benefits

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

1.14 Leases

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.

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

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 120 (2018 - 121).

GIBBS GILLESPIE SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

3 Intangible fixed assets

	Goodwill £	Other £	Total £
Cost			
At 1 January 2019	5,610,000	-	5,610,000
Additions	-	25,435	25,435
At 31 December 2019	5,610,000	25,435	5,635,435
Amortisation and impairment			
At 1 January 2019	1,701,700	-	1,701,700
Amortisation charged for the year	355,300	2,258	357,558
At 31 December 2019	2,057,000	2,258	2,059,258
Carrying amount			
At 31 December 2019	3,553,000	23,177	3,576,177
At 31 December 2018	3,908,300	-	3,908,300

4 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 January 2019	435,012
Additions	42,225
At 31 December 2019	477,237
Depreciation and impairment	
At 1 January 2019	226,984
Depreciation charged in the year	54,573
At 31 December 2019	281,557
Carrying amount	
At 31 December 2019	195,680
At 31 December 2018	208,028

GIBBS GILLESPIE SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

5 Debtors

	2019	2018
	£	£
Amounts falling due within one year:		
Trade debtors	324,520	408,032
Other debtors	110,294	88,856
	<u>434,814</u>	<u>496,888</u>

6 Creditors: amounts falling due within one year

	2019	2018
	£	£
Bank loans	33,705	-
Trade creditors	76,544	209,302
Corporation tax	203,797	105,571
Other taxation and social security	262,710	263,386
Other creditors	1,782,442	2,064,391
	<u>2,359,198</u>	<u>2,642,650</u>

7 Creditors: amounts falling due after more than one year

	2019	2018
	£	£
Bank loans and overdrafts	37,466	-
Other creditors	728,762	1,196,946
	<u>766,228</u>	<u>1,196,946</u>

8 Loans and overdrafts

	2019	2018
	£	£
Bank loans	71,171	-
Shareholder loans	1,132,815	1,796,946
	<u>1,203,986</u>	<u>1,796,946</u>
Payable within one year	437,758	600,000
Payable after one year	<u>766,228</u>	<u>1,196,946</u>

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

GIBBS GILLESPIE SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

9 Called up share capital

	2019	2018
	£	£
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

10 Profit and loss reserves

	2019	2018
	£	£
At the beginning of the year	1,037,901	1,084,117
Profit/(loss) for the year	488,802	(46,216)
	<u>1,526,703</u>	<u>1,037,901</u>

11 Related party transactions

The following amounts were outstanding at the reporting end date:

	2019	2018
	£	£
Amounts due to related parties		
Other related parties	1,330,791	1,358,968
	<u>1,330,791</u>	<u>1,358,968</u>

The following amounts were outstanding at the reporting end date:

	2019	2018
	£	£
Amounts due from related parties		
Other related parties	26,304	22,197
	<u>26,304</u>	<u>22,197</u>

"Other related parties" are related due to being under common control.

An unlimited bank guarantee has been given by Gibbs Gillespie Sales Limited to its related company Gibbs Gillespie Lettings Limited and vice versa.

There is a cross guarantee and debenture between the company and JPR Investments Limited.

GIBBS GILLESPIE SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

12 Directors' transactions

Included in creditors are the below amounts due to the directors:

Due in less than one year:

Total for directors £404,053 (2018 - £600,000)

Due in more than one year:

Total for directors £728,762 (2018 - £1,196,946)

Total of creditor balance £1,132,815 (2018 - £1,796,946)