

GIBBS GILLESPIE SALES LIMITED

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2021

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GIBBS GILLESPIE SALES LIMITED

COMPANY INFORMATION

Directors	P L Aitchison P Kavanagh K Shaw
Company secretary	P L Aitchison
Registered number	08786708
Registered office	Crowthorne House Nine Mile Ride Wokingham Berkshire RG40 3GZ

GIBBS GILLESPIE SALES LIMITED

CONTENTS

	Page
Directors' Report	1 - 2
Profit and Loss Account	3
Balance Sheet	4 - 5
Statement of Changes in Equity	6
Notes to the Financial Statements	7 - 16

GIBBS GILLESPIE SALES LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2021

The Directors present their report and the financial statements for the period ended 31 December 2021. The current period is from 27 February 2021 to 31 December 2021. The comparative period is from 1 January 2020 to 26 February 2021 and may not therefore be comparable when compared to the current period.

Principal activity

The principal activity of the company throughout the current period was that of real estate management. On 31 July 2021, the company's trade and net assets were transferred to its parent, The Romans Group (UK) Limited, and the company ceased trading.

Results and dividends

The profit for the period, after taxation, amounted to £1,670,176 (2021 - £1,281,846).

No dividends were paid during the period (*period ended 26 February 2021 - £300,000*).

The directors do not recommend the payment of a dividend (*period ended 26 February 2021 - £Nil*).

Directors

The Directors who served during the period were:

P L Aitchison
P Kavanagh
K Shaw

At 31 December 2021, third party indemnity provision for the benefit of the company's directors was in force.

Post balance sheet events

On 28 February 2022, the Leaders Romans Group was acquired by certain investment vehicles advised by Platinum Equity Advisors, LLC. As part of this transaction, the group's bank debt was refinanced, with existing facilities being repaid and replaced with new facilities which have repayments dates between 2027 and 2029.

Directors' responsibilities statement

The Directors are responsible for preparing the 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). 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 for the Company's financial statements 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.

GIBBS GILLESPIE SALES LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2021

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 to 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.

Small companies note

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 25 May 2022 and signed on its behalf.



P L Aitchison
Director

GIBBS GILLESPIE SALES LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31 DECEMBER 2021**

	Period from 27 February 2021 to 31 December 2021 £	<i>Period from 1 January 2020 to 26 February 2021 £</i>
Note		
Turnover	4,673,407	7,986,212
Gross profit	4,673,407	7,986,212
Administrative expenses	(3,007,865)	(6,840,489)
Other operating income	9,920	547,596
Operating profit	1,675,462	1,693,319
Interest receivable and similar income	1	602
Interest payable and similar expenses	-	(11,316)
Profit before tax	1,675,463	1,682,605
Tax on profit	(5,287)	(400,759)
Profit for the financial period	1,670,176	1,281,846

The notes on pages 7 to 16 form part of these financial statements.

GIBBS GILLESPIE SALES LIMITED
REGISTERED NUMBER: 08786708

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	31 December 2021 £	26 February 2021 £
Fixed assets			
Intangible assets	4	-	3,174,483
Tangible assets	5	-	162,150
		<u>-</u>	<u>3,336,633</u>
Current assets			
Debtors: amounts falling due within one year	6	4,178,825	934,182
Cash at bank and in hand		-	1,516,990
		<u>4,178,825</u>	<u>2,451,172</u>
Creditors: amounts falling due within one year	7	-	(3,253,825)
Net current assets/(liabilities)		<u>4,178,825</u>	<u>(802,653)</u>
Total assets less current liabilities		<u>4,178,825</u>	<u>2,533,980</u>
Provisions for liabilities			
Deferred tax		-	(25,331)
		<u>-</u>	<u>(25,331)</u>
Net assets		<u><u>4,178,825</u></u>	<u><u>2,508,649</u></u>
Capital and reserves			
Called up share capital	9	100	100
Profit and loss account		4,178,725	2,508,549
		<u><u>4,178,825</u></u>	<u><u>2,508,649</u></u>

GIBBS GILLESPIE SALES LIMITED
REGISTERED NUMBER: 08786708

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2021

The Directors consider that the Company is entitled to exemption from audit under section 479A of the Companies Act 2006.

The members have not required the Company to obtain an audit for the period 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 were approved and authorised for issue by the board and were signed on its behalf on 25 May 2022.



P L Aitchison
Director

The notes on pages 7 to 16 form part of these financial statements.

GIBBS GILLESPIE SALES LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2021**

	Share capital	Profit and loss account reserve	Total
	£	£	£
At 1 January 2020	100	1,526,703	1,526,803
Profit for the period	-	1,281,846	1,281,846
Total comprehensive income for the period	-	1,281,846	1,281,846
Dividends	-	(300,000)	(300,000)
Total transactions with owners	-	(300,000)	(300,000)
At 27 February 2021	100	2,508,549	2,508,649
Profit for the period	-	1,670,176	1,670,176
Total comprehensive income for the period	-	1,670,176	1,670,176
At 31 December 2021	100	4,178,725	4,178,825

The notes on pages 7 to 16 form part of these financial statements.

GIBBS GILLESPIE SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021

1. General information

Gibbs Gillespie Sales Limited is a private company limited by shares incorporated in England and Wales. The registered office is Crowthorne House, Nine Mile Ride, Wokingham, RG40 3GZ.

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 company is a subsidiary of The Leaders Romans Group Limited. The financial statements have been prepared on the going concern basis as the directors have reviewed forecasts for the group of which the company is a part and have a reasonable expectation that both the company and its wider group will continue in operational existence for a period not less than 12 months from the date of signing these financial statements.

2.3 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.4 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Profit and Loss Account over its useful economic life of 15 years.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Amortisation is provided on the following bases:

Development costs	-	25 % on cost
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2.5 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:

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

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.6 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. 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.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Profit and Loss Account if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

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 Profit and Loss Account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

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 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.10 Current and deferred taxation

The tax expense for the period 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Company can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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.

2.11 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.

2.12 Retirement benefits

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.13 Operating leases

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.

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

2.14 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 Profit and Loss Account in the same period as the related expenditure.

2.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

3. Employees

The average monthly number of employees, including the Directors, during the period was as follows:

	Period from 27 February 2021 to 31 December 2021 No.	<i>Period from 1 January 2020 to 26 February 2021 No.</i>
Total	116	<i>127</i>

GIBBS GILLESPIE SALES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

4. Intangible assets

	Goodwill £	Other £	Total £
Cost			
At 27 February 2021	5,610,000	50,320	5,660,320
Disposals	(5,610,000)	(50,320)	(5,660,320)
At 31 December 2021	-	-	-
Amortisation			
At 27 February 2021	2,471,517	14,320	2,485,837
Charge for the period	-	4,192	4,192
On disposals	(2,471,517)	(18,512)	(2,490,029)
At 31 December 2021	-	-	-
Net book value			
At 31 December 2021	-	-	-
At 26 February 2021	3,138,483	36,000	3,174,483

GIBBS GILLESPIE SALES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

5. Tangible fixed assets

	Plant and machinery, etc. £
Cost	
At 27 February 2021	513,611
Disposals	(513,611)
At 31 December 2021	-
Depreciation	
At 27 February 2021	351,461
Charge for the period	19,236
Disposals	(370,697)
At 31 December 2021	-
Net book value	
At 31 December 2021	-
At 26 February 2021	162,150

6. Debtors

	31 December 2021 £	26 February 2021 £
Trade debtors	-	806,382
Amounts owed by group undertakings	4,178,825	10,907
Other debtors	-	116,893
	4,178,825	934,182

GIBBS GILLESPIE SALES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

7. Creditors: Amounts falling due within one year

	31 December 2021 £	26 February 2021 £
Trade creditors	-	132,789
Amounts owed to group undertakings	-	1,892,720
Corporation tax	-	407,372
Other taxation and social security	-	477,787
Other creditors	-	343,157
	<u>-</u>	<u>3,253,825</u>

8. Deferred taxation

	31 December 2021 £	26 February 2021 £
At beginning of year	(25,331)	(31,944)
Charged to profit or loss	(5,287)	6,613
Transferred on sale of business	30,618	-
At end of year	<u>-</u>	<u>(25,331)</u>

The deferred taxation balance is made up as follows:

	31 December 2021 £	26 February 2021 £
Accelerated capital allowances	-	(26,238)
Movement arising from the transfer of trade	-	907
	<u>-</u>	<u>(25,331)</u>

GIBBS GILLESPIE SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021

9. Share capital

	31 December 2021 £	26 February 2021 £
Alloted, called up and fully paid		
100 (2021 - 100) Ordinary shares of £1.00 each	100	100

10. Related party transactions

The company is a wholly owned subsidiary within the group headed by The Leaders Romans Group Limited and has taken advantage of the exemption conferred by FRS 102 'Related Party Disclosures' not to disclose related party transactions with The Leaders Romans Group Limited or other wholly owned subsidiaries within the group.

11. Post balance sheet events

On 28 February 2022, the Leaders Romans Group was acquired by certain investment vehicles advised by Platinum Equity Advisors, LLC. As part of this transaction, the group's bank debt was refinanced, with existing facilities being repaid and replaced with new facilities which have repayments dates between 2027 and 2029.

12. Controlling party

The company is a subsidiary of The Romans Group (UK) Limited. At 31 December 2021, the company's ultimate parent company was The Leaders Romans Group Limited. Both companies are registered at Crowthorne House, Nine Mile Ride, Wokingham, Berkshire RG40 3GZ.

The Leaders Romans Midco 2 Limited is the smallest group in which the results of the company are consolidated.

The Leaders Romans Group Limited is the largest group in which the results of the company are consolidated.

Both of the consolidated accounts which include the results of this company are available to the public and may be obtained from The Leaders Romans Group Limited, Crowthorne House, Nine Mile Ride, Wokingham, Berkshire RG40 3GZ or Companies House.

At 31 December 2021, the company was ultimately controlled by funds managed by Bowmark Capital LLP. On 28 February 2022, the Leaders Romans Group was sold and is now indirectly owned and controlled by certain investment vehicles advised by Platinum Equity Advisors, LLC.