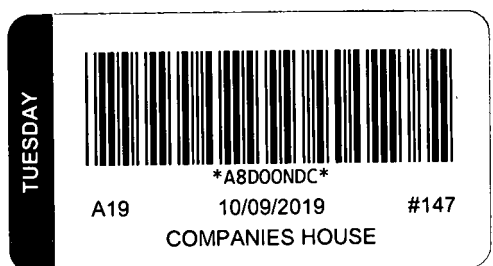


**Company Registration No. 00706966 (England and Wales)**

**GIBBS & BALL LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**  
**PAGES FOR FILING WITH REGISTRAR**



# **GIBBS & BALL LIMITED**

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**GIBBS & BALL LIMITED****BALANCE SHEET****AS AT 31 DECEMBER 2018**

	Notes	2018 £	£	2017 £	£
<b>Fixed assets</b>					
Tangible assets	3	39,483		53,032	
Investment properties	4	6,850,000		6,850,000	
		<u>6,889,483</u>		<u>6,903,032</u>	
<b>Current assets</b>					
Debtors	5	836,168		444,190	
Cash at bank and in hand		375,781		537,637	
		<u>1,211,949</u>		<u>981,827</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(493,173)</u>		<u>(476,351)</u>	
<b>Net current assets</b>			718,776		505,476
<b>Total assets less current liabilities</b>			<u>7,608,259</u>		<u>7,408,508</u>
<b>Creditors: amounts falling due after more than one year</b>	7		(1,211,146)		(1,275,634)
<b>Provisions for liabilities</b>	8		<u>(303,413)</u>		<u>(315,300)</u>
<b>Net assets</b>			<u><u>6,093,700</u></u>		<u><u>5,817,574</u></u>
<b>Capital and reserves</b>					
Called up share capital	10	1,000		1,000	
Profit and loss reserves		6,092,700		5,816,574	
<b>Total equity</b>			<u><u>6,093,700</u></u>		<u><u>5,817,574</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 2018 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 & BALL LIMITED**

**BALANCE SHEET (CONTINUED)**

**AS AT 31 DECEMBER 2018**

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The financial statements were approved by the board of directors and authorised for issue on 6/9/19  
and are signed on its behalf by:

Lisa Hawkins

Miss L J A Hawkins

Director

**Company Registration No. 00706966**

# **GIBBS & BALL LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018**

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### **1 Accounting policies**

#### **Company information**

Gibbs & Ball Limited is a private company limited by shares incorporated in England and Wales. The registered office is St Margarets Farm, St Margarets Road, South Darenth, Kent, DA4 9LB.

#### **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, modified to include investment properties at fair value. The principal accounting policies adopted are set out below.

#### **1.2 Turnover**

Turnover represents the invoiced amounts receivable for warehousing and haulage services net of VAT and trade discounts. Warehousing income is recognised by reference to the period the facilities are provided and haulage income is recognised when the company has completed its service obligations.

#### **1.3 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 provided on all tangible fixed assets, other than investment properties, at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Improvements to property	20% on cost
Plant and machinery	25% on written down value
Computer equipment	33% on cost
Motor vehicles	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.

#### **1.4 Investment properties**

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

#### **1.5 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible 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.

# GIBBS & BALL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

### 1 Accounting policies

(Continued)

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, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.6 Cash at bank and in hand

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. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.7 Financial instruments

The company applies the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments, which are classified as basic.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

##### **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.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies, 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

# GIBBS & BALL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

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### 1 Accounting policies

(Continued)

#### 1.8 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.

#### 1.9 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.

##### *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.

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. 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.

#### 1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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.

#### 1.11 Retirement benefits

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

#### 1.12 Leases

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 12 (2017 - 12).

**GIBBS & BALL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

**3 Tangible fixed assets**

	Land and buildings	Plant and machinery etc	Total
	£	£	£
<b>Cost</b>			
At 1 January 2018	60,932	204,431	265,363
Disposals	-	(14,900)	(14,900)
At 31 December 2018	60,932	189,531	250,463
<b>Depreciation and impairment</b>			
At 1 January 2018	60,932	151,399	212,331
Depreciation charged in the year	-	13,160	13,160
Eliminated in respect of disposals	-	(14,511)	(14,511)
At 31 December 2018	60,932	150,048	210,980
<b>Carrying amount</b>			
At 31 December 2018	-	39,483	39,483
At 31 December 2017	-	53,032	53,032

**4 Investment property**

	2018 £
<b>Fair value</b>	
At 1 January 2018 and 31 December 2018	6,850,000

The fair value of the investment property has been arrived at on the basis of a valuation carried out in April 2015 by Savills Plc who are not connected with the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties. In the opinion of the directors there has been no material change since the date of the previous revaluation.

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2018 £	2017 £
<b>Cost</b>	3,733,125	3,733,125
<b>Accumulated depreciation</b>	-	-
<b>Carrying amount</b>	3,733,125	3,733,125



**GIBBS & BALL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

**5 Debtors**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	116,817	130,813
Corporation tax recoverable	-	96,503
Amounts owed by group undertakings	680,231	176,385
Other debtors	39,120	40,489
	<u>836,168</u>	<u>444,190</u>

**6 Creditors: amounts falling due within one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Bank loans	63,132	62,404
Trade creditors	33,413	42,817
Amounts due to group undertakings	100	100
Corporation tax	64,892	57,248
Other taxation and social security	56,668	41,413
Other creditors	274,968	272,369
	<u>493,173</u>	<u>476,351</u>

**7 Creditors: amounts falling due after more than one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Bank loans	<u>1,211,146</u>	<u>1,275,634</u>

The bank loan is secured by fixed charges over the company's freehold investment property.

Amounts included above which fall due after five years are as follows:

Payable by instalments	<u>943,263</u>	<u>1,012,505</u>
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**8 Provisions for liabilities**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Deferred tax liabilities	<u>303,413</u>	<u>315,300</u>

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**GIBBS & BALL LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2018****9 Deferred taxation**

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	<b>Liabilities 2018 £</b>	<b>Liabilities 2017 £</b>
<b>Balances:</b>		
Accelerated capital allowances	5,620	7,300
Revaluations	297,793	308,000
	<u>303,413</u>	<u>315,300</u>
<b>Movements in the year:</b>		<b>2018 £</b>
Liability at 1 January 2018		315,300
Credit to profit or loss		(11,887)
Liability at 31 December 2018		<u>303,413</u>

The deferred tax on revaluations relates to the estimated corporation tax on chargeable gains that would arise if the land and buildings were disposed of at the valuations included in the accounts. Otherwise, except for other timing differences expected to reverse within 12 months, the deferred tax liability set out above is to reverse out over the life of the qualifying assets and relates to accelerated capital allowances that are expected to mature within the same period.

**10 Called up share capital**

	<b>2018 £</b>	<b>2017 £</b>
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
1,000 Ordinary shares of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

**11 Financial commitments, guarantees and contingent liabilities**

The company is a party to an omnibus guarantee and set-off agreement with Lloyds Bank Plc together with South Darenth Farms And Cold Store Company Limited, a fellow subsidiary, in respect of their combined overdraft and loan facilities. At 31 December 2018 the companies had combined bank overdrafts and loans of £8,537,049 (2017: £6,373,563).

## **GIBBS & BALL LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

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#### **12 Related party transactions**

Debtors include £680,231 owed by South Darenth Farms and Cold Store Company Limited (see note 5). (2017: £176,385)

During the year a consultancy charge of £6,000 (2017: £6,000) was payable to one of the directors.

At the year end £100 (2017: £100) was owed to James Graham Transport (Kent) Limited, a dormant fellow subsidiary company.

#### **13 Parent company**

The ultimate parent company and controlling entity is Favourquick Limited, a company incorporated England and Wales. Favourquick Limited has no overall controlling party.

#### **14 Undistributable reserves**

The profit and loss account balance of the company includes the sum of £2,819,082 (2017: £2,819,082) representing the revaluation reserve less the potential deferred tax on investment properties that would arise on the sale of those properties at their book value. Accordingly, this element of the company's reserves is not distributable.