

GREAT GIZMOS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019
PAGES FOR FILING WITH REGISTRAR



GREAT GIZMOS LIMITED

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GREAT GIZMOS LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 JULY 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	3		1,110		17,092
Current assets					
Stocks		531,601		523,058	
Debtors	4	441,358		439,639	
Cash at bank and in hand		133		192	
		973,092		962,889	
Creditors: amounts falling due within one year	5	(723,806)		(604,729)	
Net current assets			249,286		358,160
Total assets less current liabilities			250,396		375,252
Creditors: amounts falling due after more than one year	6		(200,000)		(200,000)
Net assets			50,396		175,252
Capital and reserves					
Called up share capital	7	100,000		100,000	
Profit and loss reserves		(49,604)		75,252	
Total equity			50,396		175,252

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 July 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.

GREAT GIZMOS LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 JULY 2019

The financial statements were approved by the board of directors and authorised for issue on 26th February 2020 and are signed on its behalf by:

.....
P Appleton
Director



Company Registration No. 03371233

GREAT GIZMOS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies

Company information

Great Gizmos Limited is a private company limited by shares incorporated in England and Wales. The registered office is Churchill Court, 3 Manor Royal, Crawley, West Sussex, RH10 9LU.

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 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT.

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

Land and buildings leasehold	Over the term of lease
Computer equipment	25% straight line
Fixtures & fittings	25% straight line

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 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.

1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

GREAT GIZMOS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies

(Continued)

1.6 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.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' 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.

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 creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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.

1.8 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.

1.9 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 income statement 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 is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

GREAT GIZMOS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies

(Continued)

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

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss 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 leases asset are consumed.

1.13 Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 11 (2018 - 11).

GREAT GIZMOS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 August 2018	62,960	124,729	187,689
Disposals	(62,960)	(74,431)	(137,391)
	<u>-</u>	<u>50,298</u>	<u>50,298</u>
At 31 July 2019			
Depreciation and impairment			
At 1 August 2018	47,808	122,789	170,597
Depreciation charged in the year	900	830	1,730
Eliminated in respect of disposals	(48,708)	(74,431)	(123,139)
	<u>-</u>	<u>49,188</u>	<u>49,188</u>
At 31 July 2019			
Carrying amount			
At 31 July 2019	<u>-</u>	<u>1,110</u>	<u>1,110</u>
At 31 July 2018	<u>15,152</u>	<u>1,940</u>	<u>17,092</u>

4 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	373,362	312,386
Other debtors	67,531	126,797
	<u>440,893</u>	<u>439,183</u>
Deferred tax asset	465	456
	<u>441,358</u>	<u>439,639</u>

GREAT GIZMOS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

5 Creditors: amounts falling due within one year

	2019 £	2018 £
Bank loans and overdrafts	56,014	78,672
Trade creditors	327,722	226,731
Taxation and social security	21,173	61,758
Other creditors	318,897	237,568
	<u>723,806</u>	<u>604,729</u>

Bank loans and overdrafts are secured by fixed and floating charges over all assets of the company and on personal guarantees given by the directors limited to £100,000.

Included under other creditors are advances against book debts in the sum of £297,070 (2018 - £194,768) due to RBS Invoice Finance Limited which are secured by fixed and floating charges over the assets of the company.

6 Creditors: amounts falling due after more than one year

	2019 £	2018 £
Other creditors	<u>200,000</u>	<u>200,000</u>

7 Called up share capital

	2019 £	2018 £
Ordinary share capital		
Issued and fully paid		
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

8 Financial commitments, guarantees and contingent liabilities

The company entered into an agreement with its landlord A&J Mucklow (Investments) Limited in July 2019 to surrender the lease in respect of Unit 2 Crompton Fields, Crompton Way, Crawley, RH10 9QB. As part of this agreement, the settlement liability due is postponed and becomes payable only when the company makes a profit before tax for the financial years ending 31 July 2020 to 31 July 2023. The maximum amount due for each financial year is restricted to £50,000.

The directors were not aware of the existence of any other contingent liabilities at the year end.

GREAT GIZMOS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

9 Operating lease commitments

Lessee

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

2019	2018
£	£
196,163	1,018,869
<u><u> </u></u>	<u><u> </u></u>

10 Events after the reporting date

The directors were not aware of any events after the reporting date which would materially affect the financial statements.

11 Related party transactions

The directors have given personal guarantees limited to £100,000 in favour of National Westminster Bank Plc.

Included under other long term creditors are loans from directors amounting to £200,000 (2018 - £200,000).