



**GBEW TRADING LIMITED**

(A company limited by guarantee)

**ANNUAL REPORT AND FINANCIAL  
STATEMENTS**

**FOR THE PERIOD ENDED 31  
DECEMBER 2017**



**GBEW TRADING LIMITED**

(A company limited by guarantee)

**COMPANY INFORMATION**

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**Directors**

Sue Cutting  
Jean Osmond  
Karen Hubbard  
Claire Woodward

**Registered number**

06039496

**Registered office**

Cliff College  
Calver  
Hope Valley  
S32 3XG

**Independent auditor**

BHP LLP  
2 Rutland Park  
Sheffield  
S10 2PD

**GBEW TRADING LIMITED**  
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## **GBEW TRADING LIMITED**

**(A company limited by guarantee)**

### **DIRECTORS' REPORT**

**FOR THE PERIOD ENDED 31 DECEMBER 2017**

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The directors present their report and the financial statements for the period ended 31 December 2017.

#### **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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), 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 financial statements and then apply them consistently;
- make judgments 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 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.

#### **Directors**

The directors who served during the period were:

Sue Cutting  
Jean Osmond  
Karen Hubbard  
Claire Woodward

#### **Disclosure of information to auditors**

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**GBEW TRADING LIMITED**

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**DIRECTORS' REPORT (CONTINUED)**

**FOR THE PERIOD ENDED 31 DECEMBER 2017**

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**Auditor**

The auditor, BHP LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**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 29 June 2018 and signed on its behalf.

A handwritten signature in black ink, appearing to read 'Sue Cutting', is written over the printed name and title.

Sue Cutting  
Director

**GBEW TRADING LIMITED**

(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GBEW TRADING LIMITED**

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**Opinion**

We have audited the financial statements of GBEW Trading Limited (the 'Company') for the period ended 31 December 2017, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 and of its loss for the period 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.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Material uncertainty related to going concern**

In forming our opinion, which is not modified, we have considered the adequacy of the disclosures made in note 1.3 of the financial statements concerning the company's ability to continue as a going concern. The company incurred a deficit of £7,057 during the period ended 31 December 2017 and, at that date, the company has net assets of £729. These conditions, along with the other matters explained in note 1.3 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GBEW TRADING LIMITED (CONTINUED)**

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a Strategic report.

**Responsibilities of directors**

As explained more fully in the Directors' responsibilities statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

**GBEW TRADING LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GBEW TRADING LIMITED (CONTINUED)**

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**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's report.

**Use of our report**

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.



Jane Marshall (Senior statutory auditor)

for and on behalf of

**BHP LLP**

Statutory Auditors

2 Rutland Park  
Sheffield  
S10 2PD

Date: 29 June 2018



**GBEW TRADING LIMITED****(A company limited by guarantee)****STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 31 DECEMBER 2017**

		<b>31 December 2017</b>	<b>30 June 2016</b>
	<b>Note</b>	<b>£</b>	<b>£</b>
Turnover		<b>227,969</b>	228,780
Cost of sales		<b>(191,098)</b>	(189,485)
<b>Gross profit</b>		<b>36,871</b>	39,295
Administrative expenses		<b>(43,938)</b>	(28,910)
<b>Operating (loss)/profit</b>	<b>4</b>	<b>(7,067)</b>	10,385
Interest receivable and similar income	<b>7</b>	<b>10</b>	14
<b>(Loss)/profit before tax</b>		<b>(7,057)</b>	10,399
<b>(Loss)/profit for the period</b>		<b>(7,057)</b>	10,399

There was no other comprehensive income for 2017 (2016:£NIL).

**GBEW TRADING LIMITED**

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**REGISTERED NUMBER:06039496****BALANCE SHEET****AS AT 31 DECEMBER 2017**

	Note	31 December 2017 £	30 June 2016 as restated £
<b>Fixed assets</b>			
Intangible assets	8	1,000	5,500
		<u>1,000</u>	<u>5,500</u>
<b>Current assets</b>			
Stocks	9	38,080	52,202
Debtors: amounts falling due within one year	10	11,838	14,531
Cash at bank and in hand	11	7,374	28,393
		<u>57,292</u>	<u>95,126</u>
Creditors: amounts falling due within one year	12	(57,563)	(82,860)
<b>Net current (liabilities)/assets</b>		<u>(271)</u>	<u>12,266</u>
<b>Net assets</b>			
		<u>729</u>	<u>17,766</u>
<b>Capital and reserves</b>			
Called up share capital	13	1	1
Profit and loss account		728	17,765
		<u>729</u>	<u>17,766</u>

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 29 June 2018.



**Sue Cutting**  
Director

The notes on pages 9 to 14 form part of these financial statements.

**GBEW TRADING LIMITED****(A company limited by guarantee)****STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 DECEMBER 2017**

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>At 1 July 2015 (as previously stated)</b>	<b>1</b>	<b>7,366</b>	<b>7,367</b>
Prior year adjustment	-	7,807	7,807
	<b>1</b>	<b>15,173</b>	<b>15,174</b>
<b>Comprehensive income for the year</b>			
Profit for the year	-	10,399	10,399
<b>Total comprehensive income for the year</b>	-	<b>10,399</b>	<b>10,399</b>
Gift aid distribution	-	(7,807)	(7,807)
<b>At 1 July 2016</b>	<b>1</b>	<b>17,765</b>	<b>17,766</b>
<b>Comprehensive income for the period</b>			
Loss for the period	-	(7,057)	(7,057)
<b>Total comprehensive income for the period</b>	-	<b>(7,057)</b>	<b>(7,057)</b>
Gift aid distribution	-	(9,980)	(9,980)
<b>At 31 December 2017</b>	<b>1</b>	<b>728</b>	<b>729</b>

## **GBEW TRADING LIMITED**

**(A company limited by guarantee)**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2017**

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#### **1. General information**

GBEW Trading Limited is a company registered in the United Kingdom. The address of the registered office is given in the company information page of these financial statements.

#### **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 financial statements are prepared in sterling which is the functional currency of the company and rounded to the nearest £.

The following principal accounting policies have been applied:

##### **2.2 Going concern**

The charitable group, of which GBEW Trading Limited is a subsidiary, sustained an overall deficit in the period of £35,504, the deficit on unrestricted funds was £139,200. It is anticipated that further deficits will result in the period to 31 December 2019. At 31 December 2017 the group had negative free reserves of £93,787.

The board has taken positive steps to establish a new financial model and constitutional structure for GB which is helping the trustees to engage in a strategy that looks to new sources of income, beyond those made by members' subscriptions on which the group is heavily reliant. Since the period end a £96,000 grant has been awarded from the Methodist Church which shows the value placed upon GB's work.

Taking account of the new strategy the trustees have prepared an income and expenditure forecast supported by a cashflow forecast for a period of 12 months from the date of approving these financial statements that shows the group has sufficient funds to be able to continue. For that reason the trustees are confident that the group and this company is a going concern and they therefore continue to prepare the accounts on the going concern basis.

##### **2.3 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

##### **2.4 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 five years.

**GBEW TRADING LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2017**

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**2. Accounting policies (continued)**

**2.5 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**2.6 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**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.

**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 non-puttable ordinary shares.

**2.9 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.10 Gift aid**

Gift aid donations are recognised when they become legally payable, which in this company means they are recognised when paid.

**2.11 Interest income**

Interest income is recognised in the profit and loss account using the effective interest method.

**3. Turnover**

All turnover is in the United Kingdom.

**GBEW TRADING LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2017****4. Operating (loss)/profit**

The operating (loss)/profit is stated after charging:

	2017 £	2016 £
Amortisation of intangible assets	4,500	3,000

**5. Auditor's remuneration**

	2017 £	2016 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	1,230	1,200

**6. Employees**

The Company has no employees other than the directors, who did not receive any remuneration (2016 - £NIL).

The average monthly number of employees, including directors, during the period was 0 (2016 - 0).

**7. Interest receivable**

	2017 £	2016 £
Other interest receivable	10	14

**GBEW TRADING LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2017**

**8. Intangible assets**

	Website costs £
<b>Cost</b>	
At 1 July 2016	9,000
At 31 December 2017	9,000
<b>Amortisation</b>	
At 1 July 2016	3,500
Charge for the period	4,500
At 31 December 2017	8,000
<b>Net book value</b>	
At 31 December 2017	1,000
At 30 June 2016	5,500

**9. Stocks**

	31 December 2017 £	30 June 2016 £
Finished goods and goods for resale	38,080	52,202
	38,080	52,202

**GBEW TRADING LIMITED****(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2017****10. Debtors**

	<b>31 December 2017 £</b>	<b>30 June 2016 £</b>
Trade debtors	<b>11,458</b>	13,837
Prepayments and accrued income	<b>380</b>	694
	<b>11,838</b>	14,531

**11. Cash and cash equivalents**

	<b>31 December 2017 £</b>	<b>30 June 2016 £</b>
Cash at bank and in hand	<b>7,374</b>	28,393
	<b>7,374</b>	28,393

**12. Creditors: Amounts falling due within one year**

	<b>31 December 2017 £</b>	<b>30 June 2016 £</b>
Trade creditors	<b>6,244</b>	13,055
Amounts owed to group undertakings	<b>49,619</b>	68,105
Accruals and deferred income	<b>1,700</b>	1,700
	<b>57,563</b>	82,860

**13. Share capital**

	<b>31 December 2017 £</b>	<b>30 June 2016 £</b>
<i>Allotted, called up and fully paid</i>		
1 Ordinary Share share of £1	<b>1</b>	1



**GBEW TRADING LIMITED****(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2017****14. Prior year adjustment**

The previous accounting policy was to show the gift aid payment due to The Girls' Brigade England and Wales as a distribution of profits in the year that it was accrued. Following a clarification of the accounting treatment, the gift aid payment is now treated as a distribution in the year that it is paid. The impact on the figures for the prior year are shown below and in the Statement of Changes in Equity.

Changes to Balance Sheet at 30 June 2016

	As previously reported £	Adjustment at 1 July 2015 £	Adjustment at 30 June 2016 £	As restated £
Amounts due to group undertakings	(78,085)	7,807	2,173	(68,105)
Capital and reserves	<u>7,785</u>	<u>7,807</u>	<u>2,173</u>	<u>17,765</u>

Changes to profit and loss

	As previously reported £	As restated £
Profit for the financial period	10,399	10,399

**15. Related party transactions**

The company has taken advantage of the exemption available whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

**16. Controlling party**

The directors regard Girls' Brigade England & Wales, a UK registered charity and a company limited by guarantee, as the ultimate parent company.

The results of GBEW Trading Limited are included in the consolidated accounts of Girls' Brigade England & Wales. The consolidated statements are publicly available from the Charities Commission and Companies House.