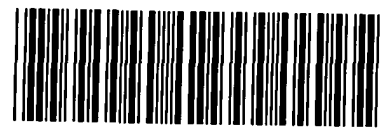


Company Registration No. 06938838 (England and Wales)

**G2S LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**30 JUNE 2020**

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COMPANIES HOUSE

# G2S LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mrs S P Fisher Mr G Hamer Mr L Moore Miss L Carroll Mr J Donaghy Mr J Cohring
<b>Company number</b>	06938838
<b>Registered office</b>	Green Bank Business Park Swan Lane Hindley Green Wigan Lancashire WN2 4EZ
<b>Auditor</b>	RSM UK Audit LLP Chartered Accountants Bluebell House Brian Johnson Way Preston Lancashire PR2 5PE
<b>Business address</b>	Green Bank Business Park Swan Lane Hindley Green Wigan Lancashire WN2 4EZ

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# G2S LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 30 JUNE 2020

The directors present the strategic report for the year ended 30 June 2020.

#### Principal activities

The principal activity of the company continued to be the importation and distribution of own and licensed branded products as well as distribution for some of the leading UK brands in the Home Appliance Sector. The business continued to grow its operation of a drop ship vendor supply service for a number of e-commerce retail platforms and also began providing third party warehousing and logistic services.

#### Fair review of the business

Against the backdrop of a challenging retail environment and an ever-changing economic climate the Company's main trading focus during the year has been to continue growing a profitable business model through the development of new and existing customers as well as broadening our product ranges.

The year ending June 2020 saw many events that challenged businesses in general, not least the first half year with a snap general election and the Brexit bill finally put through parliament, whilst the second half saw the worldwide effect of COVID-19 initially impacting supply chains out of China and then taking its toll on the UK retail sector.

Despite the challenges the directors are delighted with the Company's performance. We were quick to react to events of COVID as they unfolded, and every employee who could work from home was doing so by the end of March 2020. 92% of our turnover is done either with essential stores, such as supermarkets, or via online channels using our drop ship vendor services, which meant the closure of the UK High Street did not have a negative impact on our trading performance.

We have three main KPI's being turnover, profit after tax and cash/net debt and as the table below demonstrates we have delivered growth or improvements in each one of these areas.

	ACTUAL PERFORMANCE	
	2020	2019
Turnover	51,464,834	46,285,817
YOY Change	+11.2%	
Profit after tax	1,928,218	617,869
YOY Change	+212.07%	
Cash/(Net Debt)	(2,692,092)	(6,529,767)
YOY Change £	3,837,675	

At the balance sheet date, the Company had net assets of £8,129,919 (2019 - £ 6,375,941). The directors believe the company's balance sheet to be financially robust particularly given the year on improvement in net debt and cash reserves.

## G2S LIMITED

### STRATEGIC REPORT (CONTINUED)

#### FOR THE YEAR ENDED 30 JUNE 2020

##### Principal risks and uncertainties

The principal risks and uncertainties facing the Company are as follows

Principal Risk & Uncertainty	Mitigation actions
Rising cost prices from our suppliers driven by increasing labour and raw materials costs.	The directors manage this risk via strong sourcing capability, our China infrastructure and by maintaining strong long term relationships factories and strategic partnerships with key suppliers
Exposure to foreign currency fluctuations.	The directors consistently monitor foreign currency markets and where possible will forward buy currency to ensure that as far as possible fluctuations have limited impact on the Company trading results and cash flows.
Increased competition	The Company continues to refresh and develop its licensed core product ranges as well as entering new categories and channels and investing in sustainable retail relationships.
Brexit and the impact on the UK economy	A working group has been put together to assess the possible outcomes and operational implications and have a strategy should the outcome have a negative impact on the UK economy.
COVID-19 and the impact on the UK economy	The directors are monitoring sales, cash flows, supply chains and operational processes on a regular basis, and developing contingency plans where possible to ensure they are in the best position to react to challenges presented by the virus, whilst prioritising the welfare and well-being of our employees.

##### Section 172 Statement

*Our purpose, strategy and consideration of the consequences of decisions for the long term.*

The strategy over the next 3 years is one of significant growth achieved through capitalising on opportunities within the core household appliance sector and by pursuing new channels and product sectors, enhanced with a robust service offering.

The vision of the core trading business G2S is to be the 'market leader in domestic appliance product and service solutions for the UK's leading retailers, brands and b2b clients.

Contributing factors: Revenue growth

- Core business: mass merchandise retailers with existing and new categories
- New channels : Independent sector & DTC, Housing market.
- Market share growth
- Services: 3PL
- Marketing: Investment in digital marketing.

## G2S LIMITED

### STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2020

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Contributing factors: Margin growth.

- Ongoing pursuit of driving cost out of the supply chain
- Focus on optimum stock holding levels
- Capitalising on volume driving opportunities with factories

Contributing factors: Value growth:

- Brand Licence agreements,
- Owned Intellectual property,
- Loyal and skilled employees,
- Long standing partnerships with suppliers,
- Industry reputation,
- Focus on sustainability with clear objectives around reducing the impact of our operations on the environment,

Underpinning this growth is the strong desire to develop long term value driving partnerships based on excellence in quality, reliability and integrity.

Having completed FY 19/20 ahead of budget the business is aware that the impact of COVID-19, has accelerated growth with a shift towards E-commerce and a general increase in the % of overall UK consumer spend on their homes. In the coming year, this trend is set to continue and through continued investment in infrastructure (both physical and technical) the Company is well positioned to take advantage of ongoing growth from on-line consumer demand and from a number of channels which are either currently untapped, or not maximised to their full potential.

In the last 12 months the business has undergone a structural change at senior director level, and outsourced its central shared services to a group company -'MM Hub'.

The Company have identified a number of Brexit 'risks' and is working on mitigation plans where appropriate and practicable. Given over 90% of our product sourcing is from the Far East, the impact from a duty and tariff perspective will come from a reversion to WTO tariffs, which, from a commercial perspective will in certain categories produce a duty 'saving'. From a product regulatory perspective there will be some changes relating the transition from the CE mark to UKCA, however this will be over a time period which is yet to be defined, but is a situation that we are monitoring closely and will be fully compliant under either product mark. The biggest risk facing the group is delays due to blockages at port due to increased documentation requirements. Over the coming weeks and months we will be reviewing our stock management, inbound plans and routings in order to mitigate this risk as far as possible.

#### *Our Culture*

The foundation of our Company culture is defined as 'One vision/One team sharing in the success of the group'. We have identified a number of values that we share with employees and underpin how we engage with them.

## G2S LIMITED

### STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2020

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#### *Employees*

A number of initiatives which illustrate how we engage with employees and demonstrate the company values.

- Competency framework to encourage a development culture both personal and skill based.
- Dedicated training manager responsible for both skill based training (e.g. driver technician training) and management skills (e.g. communication skills)
- Regular company updates at management level
- Regular companywide videos sharing recent performance and future goals
- Bonus and incentive schemes.
- Employee surveys (annual and pulse surveys to gauge the general well being of employees).
- Management Dashboard report
- Low employee turnover
- Robust induction plan including H&S and 'welcome pack' which has been modified in light of remote working as a result of COVID.
- % paid above national minimum wage and aspiration to pay the real living wage.

#### *The need to foster the company's business relationships with suppliers, customers and others,*

Across the Company we continue to invest in new and existing relationships with our retailer customers, b2b clients, licence partners, distribution partners and suppliers both in the UK and overseas. The philosophy applied to all of these stakeholder relationships has always been one of transparency, integrity and investment in quality control. From a product sourcing perspective we have invested significantly in the growth of our China office fostering close relationships with suppliers and demonstrating an ongoing commitment to robust ethical audit and quality control processes, evidenced through our membership of SEDEX and long standing relationships with a number of accredited product testing laboratories.

Each year the board considers and approves our modern slavery statement demonstrating our commitment to seeking to ensure there is no slavery or forced labour or human trafficking within any part of our business or supply chains.

From a banking perspective we have a close, supportive working relationship with HSBC and regularly review our trading performance, facilities requirements and our performance vs. relevant covenant tests.

#### *Management of risks and opportunities*

The Company board seek to promote the long term sustainable success of the company by identifying opportunities to create and preserve value and establishing oversight for the identification and mitigation of risks. The Company maintains a high level risk register which is the basis of our business continuity plan and is regularly reviewed. There is an audit and risk committee which convenes quarterly and reviews the outcome of any BSI or internal audits and discusses strategy in the context of a 'risk pipeline'.

The group are regularly audited by BSI in line with the following ISO accreditations:

ISO27001 Information Security Management

ISO 45001 Health & Safety Management system

#### *The impact of the company's operations on the community and the environment,*

Given the primary purpose of G2S being the importation of Household electrical products, the Company is a member of a producer compliance scheme with a leading provider of recycling and waste management services. This partnership ensures that we are fully compliant with WEEE regulations and legislation and that we are maximising our ability to offset our WEEE obligation via the recycling of all electrical waste.

## G2S LIMITED

### STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2020

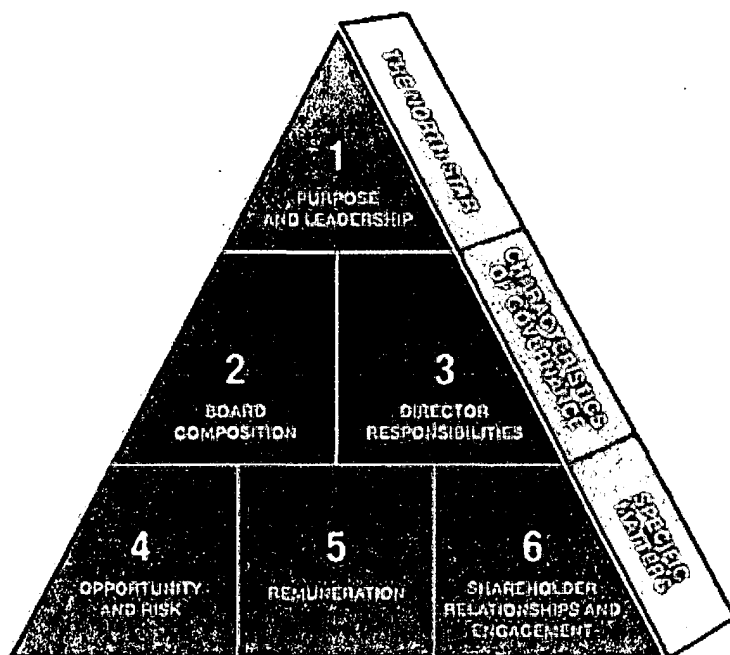
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This year we will publish a group sustainability statement which outlines what we are doing as a group to minimise our impact on the environment and our planned future initiatives. These range from the reduction of plastic in our products, minimisation of toxic emissions within our fleet to the implementation of mains fed water dispensers and electrical car charging units on site.

The group actively support the community from a charitable perspective. We are founder patrons of Chorley Youth Zone (part of the On Side youth charity movement) and have raised funds over the years for other local charities: Bolton Hospice, Bolton Neo-natal Unit and Derian House.

*The desirability of the company maintaining a reputation for high standards of business conduct, and the need to act fairly as between members of the company*

The Company board have identified six principles of corporate governance relevant to large private companies.



The Company board regularly convene at both an operational level to ensure that management are acting in accordance with the culture, values and standards that have been identified and to ensure that decisions are made with full consideration of their wider impact and at a strategic level to ensure that planning is in place to secure the long term sustainability of the business.

In addition to our modern slavery statement, we have recently updated our bribery and corruption statement and in September 2020 rolled out a comprehensive training module to all front facing employees. We have also recently updated our equality, diversity and inclusion policy.

The Company encourages an open and transparent culture with a focus on 'doing the right thing' which permeates through all levels of the organisation. Our employee handbook contains sections on companies and whistle blowing should any employee need guidance in this area.

# G2S LIMITED

## STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2020

### Carbon Reporting

#### *Organisational structure*

The G2S Limited is classified as a large unquoted company due to its size and shareholding structure.

#### *Reporting period*

The G2S Limited is reporting for the financial year ended 30 June 2020.

#### *Measurement methodology*

Scope 1 and 2 consumption and CO<sub>2</sub>e emission data has been calculated using the 2020 UK Government Conversion Factors for Company Reporting as made available at <https://www.gov.uk/government/publications/environmental-reporting-guidelines-including-mandatory-greenhouse-gas-emissions-reporting-guidance>

For properties where the G2S Limited is indirectly responsible for utilities (i.e. via a landlord or service charge), the Kwh's billed by the landlord has been used, or where a bill on account has been issued the average usage from the preceding period has been used to estimate usage.

#### *Energy Performance Results*

Energy use (kWh)	FY2020
Gaseous fuels	211,032
Purchased electricity	616,363
Transport	63,418
<b>TOTAL</b>	<b>890,813</b>

#### *Carbon Performance Results*

Carbon Dioxide Equivalent Emissions (kg/CO <sub>2</sub> e)	FY2020
Gaseous fuels	38,802
Purchased electricity	143,699
Transport	5,354
<b>TOTAL</b>	<b>245,920</b>

#### *Intensity Ratio*

Reporting Boundary	FY2020
KG/CO <sub>2</sub> e/£ turnover	0.005
KG/CO <sub>2</sub> e/Employee	2,342



## **G2S LIMITED**

### **STRATEGIC REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 30 JUNE 2020**

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*Energy and carbon performance commentary*

Purchased electricity accounts for 58% of our calculated CO<sub>2</sub>e, with this in mind we have taken steps to reduce the amount of electric we use, including fitting out all our warehouses and offices spaces with LED lighting.

Whilst not in the reportable scope, will are also looking to promote a reduction in carbon emissions caused by colleagues' personal travel, notably their daily commute, by embedding new digital ways of working that have evolved as a result of the Covid-19 pandemic.

G2S Limited is not part of the Carbon Trust or any Carbon offset scheme, however the directors are in the process of reviewing this to see if it is appropriate for the Matchstick Men Group to join such a scheme.

On behalf of the board

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.....  
Mr J Cohring  
**Director**

24 November 2020  
Date: .....

# **G2S LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 30 JUNE 2020**

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The directors present their annual report and financial statements for the year ended 30 June 2020.

#### **Principal activities**

Formed in 2009, the company has developed a reputation of being a leading supplier of products and services in the Home Appliance Sector. We constantly challenge the business to evolve with new market dynamics, ensuring we have a current product and service offering which is industry leading and of significant importance to our retail and supply partners.

#### **Stakeholder engagement**

The directors' have included in the strategic report how they have fostered the companies business relationships with suppliers, customers and other stakeholders.

#### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mrs S P Fisher

Mr G Hamer

Mr S J Smith

(Resigned 31 March 2020)

Mr L Moore

(Appointed 1 July 2019)

Miss L Carroll

(Appointed 1 July 2019)

Mr N Birchall

(Appointed 1 July 2019 and resigned 16 June 2020)

Mr J Donaghy

(Appointed 1 July 2019)

Mr J Cohring

(Appointed 20 April 2020)

#### **Results and dividends**

The results for the year are set out on page 13. During the year, dividends totalling £174,240 (2019: £158,400) were paid to the parent company.

The financial position at the year-end was considered by the directors to be healthy. The cash position stood at £1,692,616. The majority of profit was retained in the company to enable future investment and growth.

#### **Qualifying third party indemnity provisions**

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

#### **Auditor**

RSM UK Audit LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

#### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

# **G2S LIMITED**

## **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2020**

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### **Strategic Report**

The information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 has been included in the separate Strategic Report in accordance with section 414C (11) of the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013.

On behalf of the board

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.....  
Mr J Cohring  
Director

24 November 2020  
Date: .....

## **G2S LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

#### **FOR THE YEAR ENDED 30 JUNE 2020**

---

The directors are responsible for preparing the Strategic Report and 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). 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 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.

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 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.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF G2S LIMITED

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### Opinion

We have audited the financial statements of G2S Limited (the 'company') for the year ended 30 June 2020 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, 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 FRS 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 30 June 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 UK, including the FRC'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.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

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.

### Opinions 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF G2S LIMITED (CONTINUED)

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### 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 strategic report and the directors' report.

We have nothing to report in respect of the following matters where 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.

### Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 10, 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.

### 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: <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.

*Karen Musgrave*

Karen Musgrave (Senior Statutory Auditor)  
For and on behalf of RSM UK Audit LLP, Statutory Auditor  
Chartered Accountants  
Bluebell House  
Brian Johnson Way  
Preston  
Lancashire, PR2 5PE

.....  
24 November 2020

## G2S LIMITED

### STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2020

	Notes	2020 £	2019 £
Turnover	3	51,464,834	46,285,817
Cost of sales		(43,800,567)	(39,927,406)
<b>Gross profit</b>		<b>7,664,267</b>	<b>6,358,411</b>
Distribution costs		(290,608)	(232,390)
Administrative expenses		(7,000,692)	(6,596,608)
Other operating income		1,229,507	1,688,232
<b>Operating profit</b>	<b>6</b>	<b>1,602,474</b>	<b>1,217,645</b>
Interest payable and similar expenses	8	(239,163)	(240,895)
Other gains and losses	9	908,841	(146,583)
<b>Profit before taxation</b>		<b>2,272,152</b>	<b>830,167</b>
Tax on profit	10	(343,934)	(212,298)
<b>Profit for the financial year</b>		<b>1,928,218</b>	<b>617,869</b>

**G2S LIMITED****BALANCE SHEET****AS AT 30 JUNE 2020**

	Notes	2020		2019	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	12		55,747		117,326
Tangible assets	13		469,580		479,988
Investments	14		11,000		11,000
			<u>536,327</u>		<u>608,314</u>
<b>Current assets</b>					
Stocks	16	8,920,367		8,677,774	
Debtors	17	17,508,671		14,843,668	
Cash at bank and in hand		1,692,616		747,539	
		<u>28,121,654</u>		<u>24,268,981</u>	
<b>Creditors: amounts falling due within one year</b>	18	(20,445,480)		(18,393,352)	
<b>Net current assets</b>			<u>7,676,174</u>		<u>5,875,629</u>
<b>Total assets less current liabilities</b>			<u>8,212,501</u>		<u>6,483,943</u>
<b>Creditors: amounts falling due after more than one year</b>	19		-		(40,451)
<b>Provisions for liabilities</b>	22		(82,582)		(67,551)
<b>Net assets</b>			<u>8,129,919</u>		<u>6,375,941</u>
<b>Capital and reserves</b>					
Called up share capital	25		100		100
Profit and loss reserves	26		8,129,819		6,375,841
<b>Total equity</b>			<u>8,129,919</u>		<u>6,375,941</u>

24 November 2020

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

.....  
Mr J Cohring  
Director



# G2S LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2020

	Notes	Share capital £	Profit and loss reserves £	Total £
<b>Balance at 1 July 2018</b>		100	5,916,372	5,916,472
<b>Year ended 30 June 2019:</b>				
Profit and total comprehensive income for the year		-	617,869	617,869
Dividends	11	-	(158,400)	(158,400)
<b>Balance at 30 June 2019</b>		100	6,375,841	6,375,941
<b>Year ended 30 June 2020:</b>				
Profit and total comprehensive income for the year		-	1,928,218	1,928,218
Dividends	11	-	(174,240)	(174,240)
<b>Balance at 30 June 2020</b>		100	8,129,819	8,129,919

# **G2S LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 30 JUNE 2020**

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#### **1 Accounting policies**

##### **Company information**

G2S Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Green Bank Business Park, Swan Lane, Hindley Green, Wigan, Lancashire, WN2 4EZ.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

##### **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, including the provisions of the large and medium sized companies and groups (Accounts and Reports) Regulations 2008.

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.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Matchstick Men Limited. These consolidated financial statements are available from its registered office, Greenbank Business Park, Swan Lane, Hindley Green, Wigan, Lancashire WN2 4EZ.

##### **Going concern**

These financial statements have been prepared on a going concern basis. The directors have prepared cash flow projections for the company and its group and revised these in light of the recent Coronavirus pandemic, considering a range of possible scenarios for the foreseeable future, being a period of at least 12 months from the date of signature of the financial statements. In light of the strength of the Company and Group balance sheet at the time of signing the financial statements and the current availability of cash and other liquid resources, the directors consider the Company and its group are well placed to sustain the impact of any potential downturn in trade. The directors have considered a number of costs saving measures which could be introduced if required. Whilst most sectors are being impacted, the demand for household appliances and associated services are not expected to decline so accordingly the directors continue to adopt the going concern basis in preparing these financial statements.

# G2S LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2020

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#### 1 Accounting policies (Continued)

##### **Turnover**

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. Sales are recognised at the point at which the company has transferred the risks and rewards to the customer.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### **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.

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

Software	20% per annum
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##### **Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost, and net of depreciation.

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

Fixtures, fittings and equipment	10% - 33% per annum
----------------------------------	---------------------

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.

##### **Fixed asset investments**

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

##### **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.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

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.

# G2S LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2020

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#### 1 Accounting policies (Continued)

##### **Cash and cash equivalents**

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### **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 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 trade and other debtors, amounts due from group undertakings 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.

##### **Other financial assets**

Other financial assets, including trade investments, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, 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. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or 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, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **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.

# G2S LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2020

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#### 1 Accounting policies (Continued)

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

Basic financial liabilities, including trade and creditors, bank loans and amounts due to group undertakings 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.

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

##### **Other financial liabilities**

Derivatives, including forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

##### **Equity instruments**

Equity instruments issued by the company are recorded at the fair value of 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.

##### **Taxation**

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

# **G2S LIMITED**

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

### **FOR THE YEAR ENDED 30 JUNE 2020**

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#### **1 Accounting policies (Continued)**

##### **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.

##### **Retirement benefits**

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

##### **Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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.

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.

##### **Foreign exchange**

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

##### **Warranty obligations**

When turnover is recognised for the sale of electronic goods, a provision is made for the estimated costs of the warranty obligation. The provision is measured based on the probability weighting of all possible outcomes.

## G2S LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2020

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#### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

##### **Stock provision**

The company considers whether stocks are impaired. The directors review stock on a line by line basis and stocks identified as having no or nominal consideration are measured at the lower of cost and cost, adjusted where applicable for any loss of services potential.

#### 3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2020 £	2019 £
<b>Turnover analysed by class of business</b>		
Free on board	12,837,352	12,682,218
Landed Sales	38,627,482	33,602,999
	<u>51,464,834</u>	<u>46,285,817</u>
	2020 £	2019 £
<b>Turnover analysed by geographical market</b>		
United Kingdom	51,058,249	46,148,274
Europe	328,427	74,320
Rest of world	78,158	63,223
	<u>51,464,834</u>	<u>46,285,817</u>

## G2S LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2020

#### 4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
Number of warehouse staff	21	25
Number of administrative staff	63	63
Number of management staff	14	14
Number of directors	7	4
	<u>105</u>	<u>106</u>

Their aggregate remuneration comprised:

	2020 £	2019 £
Wages and salaries	3,153,895	3,065,831
Social security costs	318,405	315,646
Pension costs	238,275	192,115
	<u>3,710,575</u>	<u>3,573,592</u>

#### 5 Directors' remuneration

	2020 £	2019 £
Remuneration for qualifying services	585,837	363,501
Company pension contributions to defined contribution schemes	143,064	57,384
	<u>728,901</u>	<u>420,885</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 8 (2019 - 4).

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2020 £	2019 £
Remuneration for qualifying services	184,394	139,977
Company pension contributions to defined contribution schemes	11,561	10,417
	<u>195,955</u>	<u>150,394</u>



# G2S LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2020

#### 6 Operating profit

	2020	2019
	£	£
Operating profit for the year is stated after charging:		
Exchange losses	443,010	302,766
Depreciation of owned tangible fixed assets	168,773	153,439
Loss on disposal of tangible fixed assets	1,178	1,056
Amortisation of intangible assets	61,579	61,579
Operating lease charges	1,055,087	753,600

Exchange differences recognised in profit or loss during the year, except for those arising on financial instruments measured at fair value through profit or loss, amounted to a loss of £443,010 (2019 - a loss of £302,766).

#### 7 Auditor's remuneration

	2020	2019
	£	£
Fees payable to the company's auditor and its associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	15,000	13,500

Details of non audit fees are disclosed in the accounts of Matchstick Men Limited, the parent company.

#### 8 Interest payable and similar expenses

	2020	2019
	£	£
Interest on bank overdrafts and loans	226,830	228,562
Other interest on financial liabilities	2,340	2,340
Interest on finance leases and hire purchase contracts	9,993	9,993
	239,163	240,895

#### 9 Other gains and losses fixed asset investments

	2020	2019
	£	£
<b>Fair value gains/(losses) on financial instruments</b>		
Change in the value of financial liabilities held at fair value through profit or loss	908,841	(146,583)

#### 10 Taxation

	2020	2019
	£	£
<b>Current tax</b>		
UK corporation tax on profits for the current period	434,205	160,000
Adjustments in respect of prior periods	(105,302)	43,696
Total current tax	328,903	203,696

# G2S LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2020

### 10 Taxation (Continued)

#### Deferred tax

Origination and reversal of timing differences	7,084	8,602
Changes in tax rates	7,947	-
	<u>15,031</u>	<u>8,602</u>
Total deferred tax		
	<u>343,934</u>	<u>212,298</u>
Total tax charge		

The total tax charge for the year included in the profit and loss account can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

	2020 £	2019 £
Profit before taxation	<u>2,272,152</u>	<u>830,167</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	431,709	157,732
Tax effect of expenses that are not deductible in determining taxable profit	9,580	21,759
Adjustments in respect of prior years	(105,302)	43,696
Effect of change in corporation tax rate	7,947	(1,012)
Group relief	-	(4,706)
Permanent capital allowances in excess of depreciation	-	(509)
Other permanent differences	-	(4,662)
	<u>343,934</u>	<u>212,298</u>
Taxation charge for the year		

### 11 Dividends

	2020 Per share £	2019 Per share £	2020 Total £	2019 Total £
<b>Ordinary shares</b>				
Final paid	<u>1,742.40</u>	<u>1,584.00</u>	<u>174,240</u>	<u>158,400</u>
<b>Total dividends</b>				
Final paid			<u>174,240</u>	<u>158,400</u>

# G2S LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2020

### 12 Intangible fixed assets

	Software £
<b>Cost</b>	
At 1 July 2019 and 30 June 2020	307,896
<b>Amortisation and impairment</b>	
At 1 July 2019	190,570
Amortisation charged for the year	61,579
At 30 June 2020	252,149
<b>Carrying amount</b>	
At 30 June 2020	55,747
At 30 June 2019	117,326

The net carrying value of intangible fixed assets of £49,209 (2019: £108,609) are held under finance lease. Amortisation charged on these assets amounted to £59,400 (2019: £59,400).

### 13 Tangible fixed assets

	Fixtures, fittings and equipment £
<b>Cost</b>	
At 1 July 2019	1,084,639
Additions	345,132
Disposals	(414,688)
At 30 June 2020	1,015,083
<b>Depreciation and impairment</b>	
At 1 July 2019	604,651
Depreciation charged in the year	168,773
Eliminated in respect of disposals	(227,921)
At 30 June 2020	545,503
<b>Carrying amount</b>	
At 30 June 2020	469,580
At 30 June 2019	479,988

# G2S LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2020

### 14 Fixed asset investments

	Notes	2020 £	2019 £
Investments in subsidiaries	15	11,000	11,000

#### Movements in fixed asset investments

	Shares in group undertakings £
<b>Cost or valuation</b>	
At 1 July 2019 & 30 June 2020	11,000
<b>Carrying amount</b>	
At 30 June 2020	11,000
At 30 June 2019	11,000

### 15 Subsidiaries

Details of the company's subsidiaries at 30 June 2020 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	Indirect
G2S Foshan	(i)	Import and export	Ordinary	100.00	-
(i) Foshan City, Guangdong, China					

### 16 Stocks

	2020 £	2019 £
Finished goods and goods for resale	8,920,367	8,677,774

### 17 Debtors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Trade debtors	11,440,581	9,343,273
Amounts owed by group undertakings	3,497,673	3,970,796
Derivative financial instruments	1,033,632	124,791
Other debtors	457,061	168,953
Prepayments and accrued income	1,079,724	1,235,855
	17,508,671	14,843,668

# G2S LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2020

### 17 Debtors (Continued)

Included in other debtors is £281,892 (2019: £3,225,357 creditors) in relation to an invoice discounting facility, secured by a fixed and floating charge over the property of the company.

### 18 Creditors: amounts falling due within one year

	Notes	2020 £	2019 £
Debenture loans	20	-	3,225,357
Bank loans	20	4,384,708	4,051,949
Obligations under finance leases	21	40,451	66,370
Trade creditors		10,104,885	5,964,870
Amounts owed to group undertakings		177,247	445,234
Corporation tax		353,029	188,201
Other taxation and social security		658,361	109,112
Warranty and provision services		2,532,234	2,544,090
Other creditors		767,867	277,325
Accruals and deferred income		1,426,698	1,520,844
		<u>20,445,480</u>	<u>18,393,352</u>

Provision is made for the estimated cost of warranty and servicing on the sale of electronic goods. These provisions require management's best estimate of the costs that will be incurred based on the probability weighting of all possible outcomes. Including an assessment of historical rates of return and products sold in the year. In recent years the provision has shown to give no more than a 5% margin of error.

### 19 Creditors: amounts falling due after more than one year

	Notes	2020 £	2019 £
Obligations under finance leases	21	-	40,451

### 20 Borrowings

	2020 £	2019 £
Debenture loans	-	3,225,357
Bank loans	4,384,708	4,051,949
	<u>4,384,708</u>	<u>7,277,306</u>
Payable within one year	<u>4,384,708</u>	<u>7,277,306</u>

The bank loan is secured by fixed and floating charges over all the assets and undertakings of G2S Limited including all present and future leasehold property, book and other debts, chattels, goodwill and uncalled capital, both present and future.

# G2S LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2020

#### 21 Finance lease obligations

	2020	2019
	£	£
Future minimum lease payments due under finance leases:		
Less than one year	40,451	66,370
Between one and five years	-	50,444
	<u>40,451</u>	<u>116,814</u>
Less: future finance charges	-	(9,993)
	<u>40,451</u>	<u>106,821</u>

Finance lease payments represent rentals payable by the company for certain items of software. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is three years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

Finance leases payable are secured on the assets to which they relate.

#### 22 Provisions for liabilities

	Notes	2020	2019
		£	£
Deferred tax liabilities	23	<u>82,582</u>	<u>67,551</u>

#### 23 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities	Liabilities
	2020	2019
	£	£
<b>Balances:</b>		
Accelerated capital allowances	<u>82,582</u>	<u>67,551</u>
<b>Movements in the year:</b>		2020
		£
Liability at 1 July 2019		67,551
Charge to profit or loss		15,031
Liability at 30 June 2020		<u>82,582</u>

## G2S LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 30 JUNE 2020

#### 24 Retirement benefit schemes

	2020	2019
	£	£
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	238,275	192,115

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

Included within other creditors at the year end is £23,632 (2019: £20,309) in relation to pension scheme liabilities.

#### 25 Share capital

	2020	2019
	£	£
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
100 Ordinary shares of £1 each	100	100
	100	100

All shares carry equal voting and dividend rights.

#### 26 Reserves

##### Profit and loss reserves

Cumulative profit and loss net of distributions to owners.

#### 27 Financial commitments, guarantees and contingent liabilities

There is a guarantee dated 1 February 2019 in favour of HM Revenue and Customs for £150,000 (2019: £150,000).

There is a fixed and floating charge over all of the company assets dated 24 January 2019, given by all the companies within the group.

At the year end £nil (2019: £65,979) is outstanding to the bank in relation to a letter of credit.

## G2S LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2020

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#### 28 Operating lease commitments

##### Lessee

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

	2020 £	2019 £
Within one year	1,067,848	590,245
Between one and five years	1,719,591	298,588
	<u>2,787,439</u>	<u>888,833</u>

#### 29 Ultimate controlling party

On 7 March 2019, shares in Matchstick Men Limited were transferred to a new company, Hamer Capital Ventures Limited via a share for share exchange. From this date the directors consider Hamer Capital Ventures Limited, a company registered in England & Wales, to be the ultimate parent company. The first period of accounts for this company will be 30 June 2020.

The immediate parent company is Matchstick Men Limited, a company incorporated in England and Wales. Matchstick Men Limited is the smallest group which prepares consolidated accounts which includes this company. The largest group for which consolidated financial statements are prepared which includes this company is Hamer Capital Ventures Limited. Copies of the accounts can be obtained from Companies House, Crown Way, Cardiff, CF4 3UZ.

The company was under control of its director, Mr G Hamer, who together with members of his close family controlled the majority of Hamer Capital Ventures Limited ordinary share capital.