

**REGISTERED NUMBER: 07077412 (England and Wales)**

**Unaudited Financial Statements**

**for the period**

**1 July 2018 to 31 August 2019**

**for**

**Guitar Galleries Limited**

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for the period 1 July 2018 to 31 August 2019**

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**Guitar Galleries Limited**

**Company Information**  
**for the period 1 July 2018 to 31 August 2019**

**DIRECTORS:**

G H Bushby  
M Dunn  
M J Dunn

**REGISTERED OFFICE:**

11 Bar Street  
Scarborough  
North Yorkshire  
YO11 2HT

**REGISTERED NUMBER:**

07077412 (England and Wales)

**ACCOUNTANTS:**

Clive Owen LLP  
Chartered Accountants  
Oak Tree House, Harwood Road  
Northminster Business Park  
Upper Poppleton  
York  
YO26 6QU

**Guitar Galleries Limited (Registered number: 07077412)**

**Balance Sheet  
31 August 2019**

	Notes	2019 £	£	2018 £	£
<b>FIXED ASSETS</b>					
Tangible assets	4		37,784		40,227
<b>CURRENT ASSETS</b>					
Stocks		268,455		207,641	
Debtors	5	2,707		6,908	
Cash at bank and in hand		<u>11,717</u>		<u>2,441</u>	
		282,879		216,990	
<b>CREDITORS</b>					
Amounts falling due within one year	6	<u>89,696</u>		<u>109,065</u>	
<b>NET CURRENT ASSETS</b>			<u>193,183</u>		<u>107,925</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			230,967		148,152
<b>CREDITORS</b>					
Amounts falling due after more than one year	7		<u>224,248</u>		<u>581,850</u>
<b>NET ASSETS/(LIABILITIES)</b>			<u>6,719</u>		<u>(433,698)</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	10		600,000		10,000
Retained earnings			<u>(593,281)</u>		<u>(443,698)</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>6,719</u>		<u>(433,698)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 31 August 2019.

The members have not required the company to obtain an audit of its financial statements for the period ended 31 August 2019 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

**Guitar Galleries Limited (Registered number: 07077412)**

**Balance Sheet - continued**  
**31 August 2019**

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Profit and Loss Account has not been delivered.

The financial statements were approved by the Board of Directors on 18 February 2020 and were signed on its behalf by:

G H Bushby - Director

The notes form part of these financial statements

**Notes to the Financial Statements  
for the period 1 July 2018 to 31 August 2019**

**1. STATUTORY INFORMATION**

Guitar Galleries Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

There were no material departures from that standard.

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

The financial statements are prepared on the going concern basis which assumes that the company will continue to trade. However the validity of the going concern basis is dependent upon the support of the creditors and the directors. Should the company be unable to continue trading, adjustments would have to be made to reduce the value of the assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify fixed assets as current assets and long term liabilities as current liabilities.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

**Income recognition**

Income is recognised when a contract for the sale of goods and/or services is determined as unconditional.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Improvements to property	- 10% straight line
Fixtures and fittings	- 25% straight line
Computer equipment	- 25% straight line

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Financial instruments**

Basic financial instruments are recognised at amortised cost with changes recognised in profit or loss.

**Taxation**

Taxation for the period comprises current and deferred tax. Tax is recognised in the Profit and Loss Account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Notes to the Financial Statements - continued**  
**for the period 1 July 2018 to 31 August 2019**

**2. ACCOUNTING POLICIES - continued****Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the period was 6 (2018 - 7) .

**4. TANGIBLE FIXED ASSETS**

	Improvements to property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>					
At 1 July 2018	16,268	11,152	39,861	3,118	70,399
Additions	-	11,283	-	575	11,858
At 31 August 2019	<u>16,268</u>	<u>22,435</u>	<u>39,861</u>	<u>3,693</u>	<u>82,257</u>
<b>DEPRECIATION</b>					
At 1 July 2018	9,086	5,679	12,883	2,524	30,172
Charge for period	2,877	1,717	9,301	406	14,301
At 31 August 2019	<u>11,963</u>	<u>7,396</u>	<u>22,184</u>	<u>2,930</u>	<u>44,473</u>
<b>NET BOOK VALUE</b>					
At 31 August 2019	<u>4,305</u>	<u>15,039</u>	<u>17,677</u>	<u>763</u>	<u>37,784</u>
At 30 June 2018	<u>7,182</u>	<u>5,473</u>	<u>26,978</u>	<u>594</u>	<u>40,227</u>

Notes to the Financial Statements - continued  
for the period 1 July 2018 to 31 August 20194. **TANGIBLE FIXED ASSETS - continued**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
<b>COST</b>	
At 1 July 2018	
and 31 August 2019	<u>16,070</u>
<b>DEPRECIATION</b>	
At 1 July 2018	6,142
Charge for period	<u>3,750</u>
At 31 August 2019	<u>9,892</u>
<b>NET BOOK VALUE</b>	
At 31 August 2019	<u>6,178</u>
At 30 June 2018	<u>9,928</u>

5. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019 £	2018 £
Prepayments	<u>2,707</u>	<u>6,908</u>

6. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019 £	2018 £
Bank loans and overdrafts	-	18,315
Hire purchase contracts (see note 8)	3,160	3,160
Trade creditors	51,238	62,335
Social security and other taxes	12,018	7,953
Other creditors	14,657	14,500
Accrued expenses	<u>8,623</u>	<u>2,802</u>
	<u>89,696</u>	<u>109,065</u>

7. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2019 £	2018 £
Hire purchase contracts (see note 8)	3,160	6,847
Directors' loan accounts	-	192,287
Other creditors	<u>221,088</u>	<u>382,716</u>
	<u>224,248</u>	<u>581,850</u>



**Notes to the Financial Statements - continued  
for the period 1 July 2018 to 31 August 2019**

**8. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2019	2018
	£	£
Net obligations repayable:		
Within one year	3,160	3,160
Between one and five years	<u>3,160</u>	<u>6,847</u>
	<u>6,320</u>	<u>10,007</u>
	Non-cancellable operating leases	
	2019	2018
	£	£
Within one year	35,000	20,000
Between one and five years	76,667	36,667
In more than five years	<u>105,000</u>	<u>-</u>
	<u>216,667</u>	<u>56,667</u>

**9. SECURED DEBTS**

The following secured debts are included within creditors:

	2019	2018
	£	£
Hire purchase contracts	<u>6,320</u>	<u>10,007</u>

Hire purchase contracts are secured against the assets to which they relate.

**10. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2019	2018
		£1	£	£
600,000	Ordinary		<u>600,000</u>	<u>10,000</u>

590,000 Ordinary shares of £1 each were allotted and fully paid for cash at par during the period.

**11. RELATED PARTY DISCLOSURES**

	2019	2018
	£	£
Amount due to the director	<u>-</u>	<u>192,287</u>

No interest is charged on the directors loan account.

**Notes to the Financial Statements - continued  
for the period 1 July 2018 to 31 August 2019**

**12. ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is Darnholm Holdings Limited (previously known as Darnholme Limited), a private limited company, registered in England and Wales. The company's registered office is 3 Ellis Gardens, Scalby, Scarborough, North Yorkshire, YO13 0ST.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.