

**GBE ENGINEERING SYSTEMS LTD  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**GBE Engineering Systems Ltd**  
**Financial Statements**  
**For The Year Ended 31 December 2022**

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**GBE Engineering Systems Ltd**  
**Balance Sheet**  
**As At 31 December 2022**

Registered number: 08031046

		<b>2022</b>		<b>2021</b>	
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>FIXED ASSETS</b>					
Tangible Assets	<b>3</b>		56,165		19,701
			56,165		19,701
<b>CURRENT ASSETS</b>					
Stocks	<b>4</b>	109,419		55,208	
Debtors	<b>5</b>	305,003		537,798	
Cash at bank and in hand		203,303		64,201	
		617,725		657,207	
<b>Creditors: Amounts Falling Due Within One Year</b>	<b>6</b>	(417,135 )		(523,022 )	
<b>NET CURRENT ASSETS (LIABILITIES)</b>			200,590		134,185
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			256,755		153,886
<b>NET ASSETS</b>			256,755		153,886
<b>CAPITAL AND RESERVES</b>					
Called up share capital	<b>7</b>	20,000		20,000	
Profit and Loss Account		236,755		133,886	
<b>SHAREHOLDERS' FUNDS</b>			256,755		153,886

**GBE Engineering Systems Ltd**  
**Balance Sheet (continued)**  
**As At 31 December 2022**

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These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The company has taken advantage of section 444(1) of the Companies Act 2006 and opted not to deliver to the registrar a copy of the company's Profit and Loss Account.

On behalf of the board

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Mr Anthony Flanagan

Director

28th September 2023

The notes on pages 3 to 7 form part of these financial statements.

## **1. Accounting Policies**

### **1.1. Basis of Preparation of Financial Statements**

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

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

The presentation currency is £ Sterling.

### **1.2. Turnover**

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover is reduced for estimated customer returns, rebates and other similar allowances.

#### **Sale of goods**

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of the goods.

Turnover from commission is recognised when the company has a legal right to receive the commission.

### **1.3. Tangible Fixed Assets and Depreciation**

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold Improvements	10% Straight Line
Plant & Machinery	33% Straight Line
Fixtures & Fittings	33% Straight Line
Computer Equipment	33% Straight Line

### **1.4. Leasing and Hire Purchase Contracts**

Assets obtained under finance leases are capitalised as tangible fixed assets. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives. Assets acquired under hire purchase contracts are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in the creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

### **1.5. Stocks and Work in Progress**

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads. Work-in-progress is reflected in the accounts on a contract by contract basis by recording turnover and related costs as contract activity progresses.

### **1.6. Foreign Currencies**

Monetary 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 ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

### **1.7. Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable timing differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible timing differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. The measurement of deferred tax liabilities and assets reflect the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in profit or loss, except when they related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

## **2. Average Number of Employees**

Average number of employees, including directors, during the year was as follows: 4 (2021: 4)

**GBE Engineering Systems Ltd**  
**Notes to the Financial Statements (continued)**  
**For The Year Ended 31 December 2022**

**3. Tangible Assets**

	Land & Property				
	Leasehold Improvements	Plant & Machinery	Fixtures & Fittings	Computer Equipment	Total
	£	£	£	£	£
<b>Cost</b>					
As at 1 January 2022	23,993	64,151	12,678	903	101,725
Additions	-	50,252	816	-	51,068
As at 31 December 2022	23,993	114,403	13,494	903	152,793
<b>Depreciation</b>					
As at 1 January 2022	8,226	60,419	12,476	903	82,024
Provided during the period	2,399	12,025	180	-	14,604
As at 31 December 2022	10,625	72,444	12,656	903	96,628
<b>Net Book Value</b>					
As at 31 December 2022	13,368	41,959	838	-	56,165
As at 1 January 2022	15,767	3,732	202	-	19,701

**4. Stocks**

	2022	2021
	£	£
Stock - finished goods	109,419	55,208
	109,419	55,208

**5. Debtors**

	2022	2021
	£	£
<b>Due within one year</b>		
Trade debtors	158,945	399,802
Prepayments and accrued income	8,242	8,413
Other debtors	20,290	15,000
Net wages	1,216	1,565
Amounts owed by group undertakings	116,310	113,018
	305,003	537,798

**GBE Engineering Systems Ltd**  
**Notes to the Financial Statements (continued)**  
**For The Year Ended 31 December 2022**

**6. Creditors: Amounts Falling Due Within One Year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade creditors	93,108	160,176
Corporation tax	15,270	14,700
Other taxes and social security	11,792	9,339
VAT	1,633	48,177
Other creditors	539	461
Accruals and deferred income	11,000	5,650
Director's loan account	5	5
Amounts owed to group undertakings	283,788	284,514
	<u>417,135</u>	<u>523,022</u>

**7. Share Capital**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Allotted, Called up and fully paid	<u>20,000</u>	<u>20,000</u>

**8. Other Commitments**

The total of future minimum lease payments under non-cancellable operating leases are as following:

	<b>Land and buildings</b>	
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Within 1 year	32,500	32,500
Between 1 and 5 years	110,000	130,000
After 5 years	-	10,833
	<u>142,500</u>	<u>173,333</u>

**9. Related Party Transactions**

At the end of the previous period the company was under 75% control of GBE SpA, a company incorporated in Italy. During the year control changed to GBE Engineering Systems (Holdings) Ltd a company controlled by the director.

Transactions with GBE SpA who was the controlling party in the previous year and for most of the reporting period were as follows:

Sales to GBE SpA and members of the same group £641,277 (2021 £403,133)

Purchases from GBE SpA parent and members of the same group £507,024 (2021 £646,468)

Amounts owed from GBE SpA and members of the same group were £113,310 (2021 £113,017)

Amounts owed to GBE SpA and members of the same group were £283,788 (2021 £282,382)



**GBE Engineering Systems Ltd**  
**Notes to the Financial Statements (continued)**  
**For The Year Ended 31 December 2022**

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**10. Audit Information**

The auditors report on the account of GBE Engineering Systems Ltd for the year ended 31 December 2022 was qualified

The basis of qualification in the auditor's report was as follows:

With respect to the prior year stock with a carrying value of £185,321 as at 31 December 2020 the audit evidence available to us was limited because of limitations with the utilisation of the stock accounting system within the year and after the year end. The stock system therefore did not accurately reflect the movements in stock held as at 31 December 2020. We were unable to satisfy ourselves by alternative means. Consequently, we were unable to obtain sufficient appropriate audit evidence regarding the stock valuation at the balance sheet date to confirm whether or not there was any consequential effect on the cost of sales for the year ended 31 December 2021. Our audit opinion on the financial statements for the period ended 31 December 2021 was modified accordingly. Our opinion on the current period's financial statements is also modified because of the possible effect of this matter on the comparability of the current period's figures and the corresponding figures.

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, and the provisions available for small entities, in the circumstances set out in note 9 to the financial statements, 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.

The matters required to report by exception are stated below:

The auditor's report was signed by Rachel Davis BA FCA (Senior Statutory Auditor) for and on behalf of Just Audit Limited, Statutory Auditor

Just Audit Limited  
Chartered Accountants & Statutory Auditors  
Strelley Hall, Main Street  
Strelley  
Nottingham  
NG8 6PE

**11. General Information**

GBE Engineering Systems Ltd is a private company, limited by shares, incorporated in England & Wales, registered number 08031046. The registered office is Top Floor West, Wharfebank House Wharfebank Mills, Ilkley Road, Otley, West Yorkshire, LS21 3JP.

The company changed its name on 31 October 2022 from GBEUK Limited to GBE Engineering Systems Ltd.

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.