

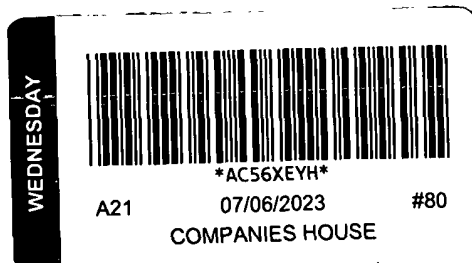
Registered number: 08282681

**GFTUET TRADING COMPANY LIMITED**

**Financial statements**

**Information for filing with the registrar**

**for the year ended 31 December 2022**



## **GFTUET TRADING COMPANY LIMITED**

### **Company Information**

<b>Directors</b>	Ms L Ambler Mr R Draper Mr D Nicholls Mr S Orchard Mr P Scholey (resigned 27 January 2022) Mr J Smith Mr D Sorensen (appointed 28 January 2022)
<b>Registered number</b>	08282681
<b>Registered office</b>	86 Wood Lane Quorn Loughborough Leicestershire LE12 8DB
<b>Independent auditors</b>	PKF Smith Cooper Audit Limited Statutory Auditors 2 Lace Market Square Nottingham NG1 1PB

**GFTUET TRADING COMPANY LIMITED**  
Registered number: 08282681

**Balance sheet**  
**as at 31 December 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	4	237,227	189,811
Investments	5	-	2
		<u>237,227</u>	<u>189,813</u>
<b>Current assets</b>			
Stocks		10,866	7,202
Debtors: amounts falling due within one year	6	104,508	117,063
Cash at bank and in hand		80,237	167,280
		<u>195,611</u>	<u>291,545</u>
Creditors: amounts falling due within one year	7	(1,225,755)	(1,344,096)
<b>Net current liabilities</b>		<u>(1,030,144)</u>	<u>(1,052,551)</u>
<b>Total assets less current liabilities</b>		<u>(792,917)</u>	<u>(862,738)</u>
<b>Net liabilities</b>		<u>(792,917)</u>	<u>(862,738)</u>
<b>Capital and reserves</b>			
Called up share capital	8	2	2
Profit and loss account		(792,919)	(862,740)
		<u>(792,917)</u>	<u>(862,738)</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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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



Mr R Draper  
Director

Date: 22/05/2023

The notes on pages 2 to 9 form part of these financial statements.

## **GFTUET TRADING COMPANY LIMITED**

### **Notes to the financial statements for the year ended 31 December 2022**

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

GFTUET Trading Company 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**

##### **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 presented in sterling which is the functional currency of the company and are rounded to the nearest £1.

The following principal accounting policies have been applied:

##### **2.2 Financial Reporting Standard 102 - reduced disclosure exemptions**

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of General Federation of Trade Unions Educational Trust as at 31 December 2022 and these financial statements may be obtained from Companies House.

##### **2.3 Going concern**

The financial statements have been prepared on a going concern basis. The Directors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern for a period of at least one year from the date of approval of the financial statements.

The hotel is now fully operational, following the lifting of restrictions in relation to the Covid-19 pandemic. The company has made a profit in the year to 31 December 2022 and is forecast to be profitable and to generate cash again in the year to 31 December 2023 and for the foreseeable future.

Notwithstanding that, the company owes its' parent undertaking the General Rederation of Trade Unions Educational Trust (GFTUET) £856,787 at the 31 December 2022. Therefore, for the time being, in the absence of other funding, the company is dependent upon the continued support of the GFTUET to meet it liabilities as they fall due. The GFTUET has agreed to provide financial support to the company for a period of at least one year from the date of approval of these financial statements. Specifically, they will not seek repayment of amounts due and payable as at 31 December 2022 of £856,787.

## **GFTUET TRADING COMPANY LIMITED**

### **Notes to the financial statements for the year ended 31 December 2022**

#### **2. Accounting policies (continued)**

##### **2.4 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. The following criteria must also be met before revenue is recognised:

##### **Sale of goods**

Revenue from the sale of food and drink is recognised at point of sale.

##### **Rendering of services**

Revenue from accommodation, events and room hire is recognised over the period to which the service related.

##### **2.5 Operating leases: the Company as lessee**

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

##### **2.6 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure. The deferred element of grants is included in creditors as deferred income.

##### **2.7 Finance costs**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

##### **2.8 Pensions**

The company operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

## **GFTUET TRADING COMPANY LIMITED**

### **Notes to the financial statements for the year ended 31 December 2022**

#### **2. Accounting policies (continued)**

##### **2.9 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

##### **2.10 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Improvements to leasehold property	-	15%
Plant and machinery	-	15%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

##### **2.11 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

## **GFTUET TRADING COMPANY LIMITED**

### **Notes to the financial statements for the year ended 31 December 2022**

#### **2. Accounting policies (continued)**

##### **2.12 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. Work in progress and finished goods include labour and attributable overheads.

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.

##### **2.13 Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

##### **2.14 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

#### **3. Employees**

The average monthly number of employees, including directors, during the year was 46 (2021 - 39).

**GFTUET TRADING COMPANY LIMITED**

**Notes to the financial statements  
for the year ended 31 December 2022**

**4. Tangible fixed assets**

	<b>Improvements to leasehold property £</b>	<b>Plant and machinery £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 January 2022	369,298	316,956	686,254
Additions	43,984	16,221	60,205
Disposals	(22,296)	(33,182)	(55,478)
At 31 December 2022	<u>390,986</u>	<u>299,995</u>	<u>690,981</u>
<b>Depreciation</b>			
At 1 January 2022	288,934	207,509	496,443
Charge for the year on owned assets	20,684	20,689	41,373
Disposals	(34,863)	(49,199)	(84,062)
At 31 December 2022	<u>274,755</u>	<u>178,999</u>	<u>453,754</u>
<b>Net book value</b>			
At 31 December 2022	<u>116,231</u>	<u>120,996</u>	<u>237,227</u>
At 31 December 2021	<u>80,364</u>	<u>109,447</u>	<u>189,811</u>



**GFTUET TRADING COMPANY LIMITED**

**Notes to the financial statements  
for the year ended 31 December 2022**

**5. Fixed asset investments**

	<b>Investments in subsidiary companies £</b>
<b>Cost or valuation</b>	
At 1 January 2022	2
At 31 December 2022	<u>2</u>
<b>Impairment</b>	
Charge for the period	2
At 31 December 2022	<u>2</u>
<b>Net book value</b>	
At 31 December 2022	<u>-</u>
At 31 December 2021	<u>2</u>

# GFTUET TRADING COMPANY LIMITED

## Notes to the financial statements for the year ended 31 December 2022

### 6. Debtors

	2022 £	2021 £
Trade debtors	51,910	42,395
Other debtors	14,598	36,668
Deferred taxation	38,000	38,000
	<u>104,508</u>	<u>117,063</u>

### 7. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	109,275	96,726
Amounts owed to group undertakings	856,787	839,807
Other taxation and social security	66,710	50,099
Other creditors	129,185	170,488
Amounts due to related parties	63,798	186,976
	<u>1,225,755</u>	<u>1,344,096</u>

### 8. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
2 (2021 - 2) Ordinary shares of £1.00 each	<u>2</u>	<u>2</u>

### 9. Related party transactions

The company has taken advantage of the exemption in Section 33.1A of FRS 102 from disclosing transactions entered into between two or more members of the group as all subsidiaries are wholly owned.

During the year the Company was recharged expenses of £8,985 (2021: £16,047) by and made sales of £nil (2021: £20,430) to the General Federation of Trade Unions. The amount due to this related party at the balance sheet date was £63,798 (2021: 185,976).

### 10. Controlling party

The controlling party is the General Federation of Trade Unions Educational Trust.

**GFTUET TRADING COMPANY LIMITED**

**Notes to the financial statements  
for the year ended 31 December 2022**

**11. Auditors' information**

The auditors' report on the financial statements for the year ended 31 December 2022 was unqualified.

The audit report was signed on 5 June 2023 by Sarah Flear (Senior statutory auditor) on behalf of PKF Smith Cooper Audit Limited.