

GEE-TEE SIGNS LTD

Financial statements

Information for filing with the registrar

For the Year Ended 31 August 2019



GEE-TEE SIGNS LTD

Company Information

Directors	R S Burrells D G Clark C I Skelton P M Widdowson
Registered number	01724512
Registered office	Bestwood Road Bulwell Nottingham NG6 8SS
Independent auditors	Smith Cooper Audit Limited Chartered Accountants & Statutory Auditors 2 Lace Market Square Nottingham NG1 1PB

GEE-TEE SIGNS LTD

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GEE-TEE SIGNS LTD
Registered number: 01724512

Balance Sheet
As at 31 August 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	4	246,041	219,627
		246,041	219,627
Current assets			
Stocks	5	241,545	399,053
Debtors: amounts falling due within one year	6	2,082,499	1,685,388
Cash at bank and in hand	7	204,163	9,382
		2,528,207	2,093,823
Creditors: amounts falling due within one year	8	(2,016,915)	(1,730,300)
Net current assets		511,292	363,523
Total assets less current liabilities		757,333	583,150
Creditors: amounts falling due after more than one year	9	(34,932)	(50,087)
Provisions for liabilities			
Deferred tax		(28,033)	(19,355)
		(28,033)	(19,355)
Net assets		694,368	513,708
Capital and reserves			
Called up share capital		20,560	20,560
Capital redemption reserve		1,080	1,080
Profit and loss account		672,728	492,068
		694,368	513,708

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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.

GEE-TEE SIGNS LTD
Registered number: 01724512

Balance Sheet (continued)
As at 31 August 2019

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

17th January 2020



C I Skelton
Director

The notes on pages 4 to 12 form part of these financial statements.

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GEE-TEE SIGNS LTD

Statement of Changes in Equity For the Year Ended 31 August 2019

	Called up share capital £	Capital redemption reserve £	Profit and loss account £	Total equity £
At 1 March 2017	20,560	1,080	2,164,661	2,186,301
Comprehensive income for the period				
Profit for the period	-	-	313,035	313,035
Dividends: Equity capital	-	-	(1,985,628)	(1,985,628)
At 1 September 2018	20,560	1,080	492,068	513,708
Comprehensive income for the year				
Profit for the year	-	-	180,660	180,660
At 31 August 2019	20,560	1,080	672,728	694,368

The notes on pages 4 to 12 form part of these financial statements.

GEE-TEE SIGNS LTD

Notes to the Financial Statements For the Year Ended 31 August 2019

1. General information

Gee-Tee Signs Limited is a private Company, limited by shares and is incorporated in England and Wales. The Company's registered number is 01724512.

The Company's registered office is Bestwood Road, Bulwell, Nottingham, NG6 8SS.

The principal activity of the Company continued to be that of the manufacture and installation of signage.

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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The financial statements are prepared in sterling which is the functional currency of the company.

The following principal accounting policies have been applied:

2.2 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 goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

GEE-TEE SIGNS LTD

Notes to the Financial Statements For the Year Ended 31 August 2019

2. Accounting policies (continued)

2.3 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

2.4 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.5 Finance costs

Finance costs are charged to the Statement of Comprehensive Income 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.

2.6 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

2.7 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

GEE-TEE SIGNS LTD

Notes to the Financial Statements For the Year Ended 31 August 2019

2. Accounting policies (continued)

2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, 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.

2.9 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, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	- 10% - 100% straight-line
Motor vehicles	- 25% - 33% straight-line
Fixtures and fittings	- 20% - 50% straight-line
Office equipment	- 33% - 50% straight-line

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 the Statement of Comprehensive Income.

GEE-TEE SIGNS LTD

Notes to the Financial Statements For the Year Ended 31 August 2019

2. Accounting policies (continued)

2.10 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.

2.11 Debtors

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

2.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.13 Creditors

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

2.14 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 the Statement of Comprehensive Income 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.

GEE-TEE SIGNS LTD

Notes to the Financial Statements For the Year Ended 31 August 2019

2. Accounting policies (continued)

2.15 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

2.16 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

GEE-TEE SIGNS LTD

Notes to the Financial Statements For the Year Ended 31 August 2019

3. Employees

The average monthly number of employees, including the directors, during the year was 51 (2018 - 43).

4. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation					
At 1 September 2018	608,883	214,280	90,902	75,713	989,778
Additions	17,491	77,338	46,550	17,245	158,624
Disposals	(559,249)	(34,957)	(31,062)	(10,257)	(635,525)
At 31 August 2019	67,125	256,661	106,390	82,701	512,877
Depreciation					
At 1 September 2018	575,685	68,458	64,137	61,871	770,151
Charge for the year on owned assets	17,461	70,206	17,791	10,586	116,044
Disposals	(559,249)	(19,099)	(31,062)	(9,949)	(619,359)
At 31 August 2019	33,897	119,565	50,866	62,508	266,836
Net book value					
At 31 August 2019	33,228	137,096	55,524	20,193	246,041
At 31 August 2018	33,198	145,822	26,765	13,842	219,627

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2019 £	2018 £
Motor vehicles	137,096	111,125

GEE-TEE SIGNS LTD

Notes to the Financial Statements For the Year Ended 31 August 2019

5. Stocks

	2019 £	2018 £
Work in progress	77,260	180,976
Finished goods	164,285	218,077
	<u>241,545</u>	<u>399,053</u>

6. Debtors

	2019 £	2018 £
Trade debtors	1,280,381	1,007,301
Amounts owed by parent undertaking	649,363	546,986
Other debtors	70,042	51,051
Prepayments and accrued income	82,713	80,050
	<u>2,082,499</u>	<u>1,685,388</u>

7. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	<u>204,163</u>	<u>9,382</u>

8. Creditors: Amounts falling due within one year

	2019 £	2018 £
Bank loans	988,538	542,040
Trade creditors	721,723	935,307
Corporation tax	14,794	54,291
Other taxation and social security	78,402	84,504
Obligations under finance lease and hire purchase contracts	55,266	41,190
Other creditors	47,141	12,576
Accruals and deferred income	111,051	60,392
	<u>2,016,915</u>	<u>1,730,300</u>

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Notes to the Financial Statements For the Year Ended 31 August 2019

9. Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Net obligations under finance leases and hire purchase contracts	<u>34,932</u>	<u>50,087</u>

10. Secured liabilities

The hire purchase contracts totalling £90,198 are secured over the assets to which they relate.

Bank loans of £988,538 are secured by fixed and floating charges over the Company.

11. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
20,560 (2018 - 20,560) Ordinary 1 shares of £1.00 each	<u>20,560</u>	<u>20,560</u>

12. Contingent liabilities

The Company has given cross corporate guarantees with Tarkwa Investment Limited to its bank.

13. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £25,669 (2018 - £17,341).

Contributions totalling £Nil (2018 - £Nil) were payable to the fund at the balance sheet date and are included in creditors.

14. Commitments under operating leases

At 31 August 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	99,000	89,000
Later than 1 year and not later than 5 years	186,000	213,000
	<u>285,000</u>	<u>302,000</u>

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Notes to the Financial Statements For the Year Ended 31 August 2019

15. Related party transactions

The company has taken advantage of the exemption available in FRS 102 s33.1 from disclosing transactions with other wholly owned members of the group.

16. Controlling party

The Company is controlled by Mr C I Skelton and Mrs R J Skelton who each own 50% of the share capital within Tarkwa Investment Limited, the ultimate parent company.

17. Auditors' information

The auditors' report on the financial statements for the year ended 31 August 2019 was unqualified.

The audit report was signed on 17/1/2020 by James Bagley (Senior Statutory Auditor) on behalf of Smith Cooper Audit Limited.