

Registration number: 01236608

Finecal Group Limited

(formerly Gibbon Finecal Limited)

Annual Report and Unaudited Abridged Financial Statements
for the Year Ended 31 December 2020

Finecal Group Limited

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Finecal Group Limited

Company Information

Director Mr S Gough

Company secretary Mr S Gough

Registered office Temple Trading Estate
Cole Road
St Philips
Bristol
BS2 0UG

Accountants West & Co Accountants & Tax Advisors
Leigh Court Business Centre
Pill Road
Abbots Leigh
Bristol
BS8 3RA

Finecal Group Limited

(Registration number: 01236608) Abridged Balance Sheet as at 31 December 2020

| | Note | 2020 £ | 2019 £ |
|--|----------|-------------|-----------|
| Fixed assets | | | |
| Intangible assets | <u>4</u> | 638,768 | - |
| Tangible assets | <u>5</u> | 403,918 | 9,382 |
| Investments | <u>6</u> | 284,000 | 402,000 |
| | | 1,326,686 | 411,382 |
| Current assets | | | |
| Stocks | <u>7</u> | 586,875 | 28,385 |
| Debtors | | 1,378,390 | 58,665 |
| Cash at bank and in hand | | 786,521 | 51,579 |
| | | 2,751,786 | 138,629 |
| Prepayments and accrued income | | 44,341 | 3,277 |
| Creditors: Amounts falling due within one year | | (1,262,321) | (37,780) |
| Net current assets | | 1,533,806 | 104,126 |
| Total assets less current liabilities | | 2,860,492 | 515,508 |
| Creditors: Amounts falling due after more than one year | | (770,918) | (200,000) |
| Provisions for liabilities | | (29,307) | - |
| Accruals and deferred income | | (15,856) | (2,100) |
| Net assets | | 2,044,411 | 313,408 |
| Capital and reserves | | | |
| Called up share capital | <u>8</u> | 2,000 | 1,000 |
| Share premium reserve | | 1,572,651 | - |
| Profit and loss account | | 469,760 | 312,408 |
| Shareholders' funds | | 2,044,411 | 313,408 |

For the financial year ending 31 December 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Finecal Group Limited

(Registration number: 01236608)

Abridged Balance Sheet as at 31 December 2020

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

All of the company's members have consented to the preparation of an Abridged Balance Sheet in accordance with Section 444(2A) of the Companies Act 2006.

Approved and authorised by the director on 28 September 2021

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Mr S Gough
Company secretary and director

Finecal Group Limited

Notes to the Unaudited Abridged Financial Statements for the Year Ended 31 December 2020

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The company was formerly known as Gibbon Finecal Limited.

The address of its registered office is:

Temple Trading Estate

Cole Road

St Philips

Bristol

BS2 0UG

United Kingdom

These financial statements were authorised for issue by the director on 28 September 2021.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These abridged financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These abridged financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

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

Going concern

The financial statements have been prepared on a going concern basis.

Whilst the director adopted the going concern basis, the impact of the worldwide Coronavirus pandemic, Covid-19, on all businesses present an uncertainty and the true impact of this pandemic will only become apparent over time.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Finecal Group Limited

Notes to the Unaudited Abridged Financial Statements for the Year Ended 31 December 2020

Tax

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

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, 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.

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 year 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.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

| Asset class | Depreciation method and rate |
|-----------------------|-------------------------------------|
| Plant and machinery | 20% reducing balance |
| Fixtures and fittings | 20% reducing balance |
| Motor vehicles | 25% reducing balance |
| Office equipment | 33% reducing balance |

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Finecal Group Limited

Notes to the Unaudited Abridged Financial Statements for the Year Ended 31 December 2020

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

| Asset class | Amortisation method and rate |
|-------------|------------------------------|
| Goodwill | 10% straight line basis |

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment. Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

Finecal Group Limited

Notes to the Unaudited Abridged Financial Statements for the Year Ended 31 December 2020

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

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

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Finecal Group Limited

Notes to the Unaudited Abridged Financial Statements for the Year Ended 31 December 2020

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 16 (2019 - 2).

4 Intangible assets

| | Total £ |
|-------------------------------|------------|
| Cost or valuation | |
| Additions acquired separately | 660,795 |
| At 31 December 2020 | 660,795 |
| Amortisation | |
| Amortisation charge | 22,027 |
| At 31 December 2020 | 22,027 |
| Carrying amount | |
| At 31 December 2020 | 638,768 |

Goodwill represents both the amount paid for the investment at market value less the net asset value hived up from the subsidiary, Preline Ltd on 1 September 2020 and the value as part of the incorporation of the sole trade business.

Finecal Group Limited

Notes to the Unaudited Abridged Financial Statements for the Year Ended 31 December 2020

5 Tangible assets

| | Furniture, fittings and equipment £ | Motor vehicles £ | Other tangible assets £ | Total £ |
|--------------------------|--|---------------------|-------------------------------|------------|
| Cost or valuation | | | | |
| At 1 January 2020 | 9,568 | 32,595 | 37,925 | 80,088 |
| Additions | 46,538 | 148,431 | 241,355 | 436,324 |
| Disposals | - | (9,977) | - | (9,977) |
| At 31 December 2020 | 56,106 | 171,049 | 279,280 | 506,435 |
| Depreciation | | | | |
| At 1 January 2020 | 9,548 | 26,525 | 36,433 | 72,506 |
| Charge for the year | 4,847 | 12,328 | 16,748 | 33,923 |
| Eliminated on disposal | - | (3,912) | - | (3,912) |
| At 31 December 2020 | 14,395 | 34,941 | 53,181 | 102,517 |
| Carrying amount | | | | |
| At 31 December 2020 | 41,711 | 136,108 | 226,099 | 403,918 |
| At 31 December 2019 | 20 | 6,070 | 3,292 | 9,382 |

6 Investments

| | Total £ |
|--------------------------|-------------|
| Cost or valuation | |
| At 1 January 2020 | 402,000 |
| Revaluation | (118,000) |
| At 31 December 2020 | 284,000 |
| Provision | |
| Carrying amount | |
| At 31 December 2020 | 284,000 |
| At 31 December 2019 | 402,000 |
| 2020 | 2019 |
| £ | £ |

Finecal Group Limited

Notes to the Unaudited Abridged Financial Statements for the Year Ended 31 December 2020

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

| Undertaking | Registered office | Holding | Proportion of voting rights and shares held | |
|--------------------------------|---|----------------|---|------|
| | | | 2020 | 2019 |
| Subsidiary undertakings | | | | |
| Preline Limited | Temple Trading Estate Cole Road St Philips, Bristol. BS2 0UG England and Wales | Ordinary Share | 100% | 100% |

Subsidiary undertakings

Preline Limited

The principal activity of Preline Limited is the distribution of industrial product.

7 Stocks

| | 2020 | 2019 |
|-------------------|---------|--------|
| | £ | £ |
| Other inventories | 586,875 | 28,385 |

8 Share capital

Allotted, called up and fully paid shares

| | 2020 | | 2019 | |
|----------------------------|-------|-------|-------|-------|
| | No. | £ | No. | £ |
| Ordinary shares of £1 each | 2,000 | 2,000 | 1,000 | 1,000 |

On 1 September 2020, an ordinary written resolution was passed by the director to issue a further 1,000 shares and designate them to the existing shareholder taking into account the incorporation of Mr S Gough's sole trade business.

Finecal Group Limited

Notes to the Unaudited Abridged Financial Statements for the Year Ended 31 December 2020

9 Related party transactions

Summary of transactions with all subsidiaries

Preline Ltd is the wholly owned subsidiary of Finecal Group Limited, on 1 September 2020 the assets and trade were hived up into the parent company.

On 1 September 2020 Preline Ltd distributed a final dividend of £115,559 (2019: £nil) to Finecal Group Limited.

As the year end the company owed £299,701 (2019: (£25,000)) to Preline Ltd.

There were no other related party transactions in the current or previous year that require disclosure.

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.