

Registered number: 00318156

G. HEYWOOD HILL LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

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STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

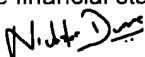
	Note	2019 £	2018 £
Fixed assets			
Intangible assets	4	7,376	10,153
Tangible assets	5	26,242	26,376
		<u>33,618</u>	<u>36,529</u>
Current assets			
Stocks		254,711	210,881
Debtors: amounts falling due within one year	6	218,480	380,754
Cash at bank and in hand		1,443,455	1,124,976
		<u>1,916,646</u>	<u>1,716,611</u>
Creditors: amounts falling due within one year	7	(1,063,916)	(1,034,969)
Net current assets		<u>852,730</u>	<u>681,642</u>
Total assets less current liabilities		<u>886,348</u>	<u>718,171</u>
Provisions for liabilities			
Deferred tax	8	(4,511)	(4,668)
		<u>(4,511)</u>	<u>(4,668)</u>
Net assets		<u><u>881,837</u></u>	<u><u>713,503</u></u>
Capital and reserves			
Called up share capital		40,000	40,000
Share premium account		29,200	29,200
Profit and loss account		812,637	644,303
		<u>881,837</u>	<u>713,503</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 income statement 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:


N Dunne
Director

Date: 17 December 2020

G. HEYWOOD HILL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

G Heywood Hill Limited is a private company (registered number: 00318156), limited by share capital, registered in England and Wales.

The registered office is:

10 Curzon Street
London
W1J 5HH

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 following principal accounting policies have been applied:

2.2 Going concern

The directors assess whether the use of the going concern basis is appropriate for the preparation of the financial statements.

In forming their assessment, consideration has been given to the impact of Covid-19 on the Company. Given that the Company has continued to trade profitably and maintained strong cash reserves throughout the period since the date of the Statement of Financial Position, and having reviewed the cash flow forecasts for a period of 12 months from the date of approval of these financial statements, the directors have concluded that the Company has sufficient resources available to meet its liabilities as they fall due. These financial statements have, therefore, been prepared on a going concern basis.

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

Sale of goods

Turnover 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 turnover 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

Turnover 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 turnover 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.

2.5 Operating leases: the Company as lessee

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

2.6 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 Income Statement when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.7 Current and deferred taxation

Tax is recognised in the Income Statement, except where a charge is attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity. In such cases the charge is recognised in other comprehensive income or directly in equity respectively.

2.8 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Other intangible fixed assets	-	3	years
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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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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:

Fixtures and fittings	-	20% reducing balance
Office equipment	-	20% reducing balance
Computer equipment	-	33% 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 Income Statement.

G. HEYWOOD HILL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 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. The cost price of Rare books is based on the cost of purchase on a first in, first out basis. The cost price for New books is based on an estimate of 58% (2018: 58%) of RRP, which is formed as an average cost price after supplier discount across all New book purchases during the year.

At each reporting 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.

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.

2.13 Creditors

Short term creditors are measured at the transaction price.

3. Employee numbers

The average number of employees, including directors, during the year was 18 (2018: 15).

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**NOTES TO THE FINANCIAL STATEMENTS
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4. Intangible assets

	Computer software £
Cost	
At 1 January 2019	16,378
Additions	3,450
At 31 December 2019	<u>19,828</u>
Amortisation	
At 1 January 2019	6,225
Charge for the year on owned assets	6,227
At 31 December 2019	<u>12,452</u>
Net book value	
At 31 December 2019	<u>7,376</u>
At 31 December 2018	<u>10,153</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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5. Tangible fixed assets

	Fixtures, fittings and office equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 January 2019	60,547	74,451	134,998
Additions	6,270	6,618	12,888
At 31 December 2019	66,817	81,069	147,886
Depreciation			
At 1 January 2019	49,284	59,338	108,622
Charge for the year on owned assets	3,506	9,516	13,022
At 31 December 2019	52,790	68,854	121,644
Net book value			
At 31 December 2019	14,027	12,215	26,242
At 31 December 2018	11,263	15,113	26,376

6. Debtors

	2019 £	2018 £
Trade debtors	185,363	173,330
Other debtors	13,632	169,858
Prepayments and accrued income	19,485	37,566
	218,480	380,754

G. HEYWOOD HILL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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7. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	74,692	92,734
Corporation tax	39,796	35,421
Other taxation and social security	14,327	14,015
Other creditors	259,486	307,194
Accruals and deferred income	675,615	585,606
	<u>1,063,916</u>	<u>1,034,970</u>

Included in accruals and deferred income are amounts received in advance from year-in-book subscriptions of £512,340 (2018: £313,068) and library collection services of £NIL (2018: £NIL). Also included in accruals are staff bonuses of £149,242 (2018: £262,536)

8. Deferred taxation

	2019 £
At beginning of year	(4,668)
Charged to profit or loss	157
At end of year	<u><u>(4,511)</u></u>

The provision for deferred taxation is made up as follows:

	2019 £	2018 £
Accelerated capital allowances	(4,511)	(4,668)
	<u><u>(4,511)</u></u>	<u><u>(4,668)</u></u>

**NOTES TO THE FINANCIAL STATEMENTS
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9. Post balance sheet events

In the first half of 2020, the outbreak of Covid-19 spread throughout the World. The impact of this has been significant. The Company's store was closed in March 2020 and again in November 2020 following UK government guidance. Although it is not possible to reliably estimate the precise financial impact that Covid-19 has had on the Company, the disruptions caused by Covid-19 have had a negative impact on the sales of the Company in 2020. However on the basis that the Company has continued to trade profitably and maintained strong cash reserves throughout the period, it has not impacted on the directors' assessment that the Company remains a going concern for a period of at least 12 months from the date of approval of these financial statements.

Covid-19 is considered a non-adjusting event given the impact of Covid-19 was not known as at the date of the Statement of Financial Position therefore no adjustments have been made to the financial statements.

10. Auditors' information

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

The audit report was signed on 18 December 2020 by George Crowther (Senior Statutory Auditor) on behalf of Haysmacintyre LLP.