

**G HEYWOOD HILL LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2018**



**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Intangible assets	4	10,153	11,779
Tangible assets	5	26,376	28,038
		<u>36,529</u>	<u>39,817</u>
<b>Current assets</b>			
Stocks		210,881	106,371
Debtors: amounts falling due within one year	6	380,754	214,118
Cash at bank and in hand		1,124,976	879,799
		<u>1,716,611</u>	<u>1,200,288</u>
Creditors: amounts falling due within one year	7	(1,034,969)	(1,094,939)
<b>Net current assets</b>		<u>681,642</u>	<u>105,349</u>
<b>Total assets less current liabilities</b>		<u>718,171</u>	<u>145,166</u>
<b>Provisions for liabilities</b>			
Deferred tax		(4,668)	-
		<u>(4,668)</u>	<u>-</u>
<b>Net assets</b>		<u><u>713,503</u></u>	<u><u>145,166</u></u>
<b>Capital and reserves</b>			
Called up share capital		40,000	40,000
Share premium account		29,200	29,200
Profit and loss account		644,303	75,966
		<u>713,503</u>	<u>145,166</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 on 2 July 2019.

  
N Dunne  
Director

**NOTES TO THE FINANCIAL STATEMENTS  
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**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 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.

## 2. Accounting policies (continued)

## 2.3 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.

## 2.4 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.

## 2.5 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.

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**2. Accounting policies (continued)**

**2.6 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.

**2.7 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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**2.8 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.

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**2. Accounting policies (continued)**

**2.9 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% (2016: 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.

**2.10 Debtors**

Short term debtors are measured at transaction price, less any impairment.

**2.11 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.

**2.12 Creditors**

Short term creditors are measured at the transaction price.

**2.13 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 Income Statement in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position 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 Statement of Financial Position.

**3. Employee numbers**

The average number of employees, including directors, during the year was 15 (2017: 12).

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4. *Intangible assets*

	Computer software £
<b>Cost</b>	
At 1 January 2018	12,928
Additions	3,450
At 31 December 2018	<u>16,378</u>
<b>Amortisation</b>	
At 1 January 2018	1,149
Charge for the year	5,076
At 31 December 2018	<u>6,225</u>
<b>Net book value</b>	
At 31 December 2018	<u>10,153</u>
At 31 December 2017	<u>11,779</u>

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**5. Tangible fixed assets**

	Fixtures, fittings and office equipment £	Computer equipment £	Total £
<b>Cost or valuation</b>			
At 1 January 2018	59,283	67,007	126,290
Additions	1,264	7,444	8,708
At 31 December 2018	60,547	74,451	134,998
<b>Depreciation</b>			
At 1 January 2018	46,470	51,782	98,252
Charge for the year on owned assets	2,814	7,556	10,370
At 31 December 2018	49,284	59,338	108,622
<b>Net book value</b>			
At 31 December 2018	11,263	15,113	26,376
At 31 December 2017	12,813	15,225	28,038

**6. Debtors**

	2018 £	2017 £
Trade debtors	173,330	177,956
Other debtors	169,858	26,491
Prepayments and accrued income	37,566	9,671
	380,754	214,118



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

	2018 £	2017 £
Trade creditors	92,734	76,490
Corporation tax	35,421	-
Other taxation and social security	14,015	8,781
Other creditors	307,194	250,162
Accruals and deferred income	585,605	759,506
	<u>1,034,969</u>	<u>1,094,939</u>

Included in accruals and deferred income are amounts received in advance from year-in-book subscriptions of £313,068 (2017: £350,763) and library collection services of £nil (2017: £353,473). Also included in accruals are staff bonuses of £262,536 (2017: £41,800)

**8. Deferred taxation**

	2018 £
Charged to profit or loss	(4,668)
<b>At end of year</b>	<u>(4,668)</u>

The deferred taxation balance is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	(4,668)	-
	<u>(4,668)</u>	<u>-</u>

**9. Auditors' information**

The auditors' report on the financial statements for the year ended 31 December 2018 was unqualified.

The audit report was signed on 2 July 2019 by George Crowther (Senior Statutory Auditor) on behalf of Haysmacintyre LLP.