

Company Registration No. 03014472 (England and Wales)

**GLOBAL INTERNATIONAL TRADING LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

# GLOBAL INTERNATIONAL TRADING LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr J Albertini Mr M Van Dongen
<b>Company number</b>	03014472
<b>Registered office</b>	3 Williamsport Way New Lion Barn Industrial Estate Needham Market Ipswich Suffolk IP6 8RW
<b>Auditor</b>	Ensors Accountants LLP Cardinal House 46 St Nicholas Street Ipswich Suffolk IP1 1TT
<b>Business address</b>	3 Williamsport Way New Lion Barn Industrial Estate Needham Market Ipswich Suffolk IP6 8RW

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# GLOBAL INTERNATIONAL TRADING LIMITED

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# GLOBAL INTERNATIONAL TRADING LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2019

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The directors present the strategic report for the year ended 31 December 2019.

#### **Fair review of the business**

The past 12 months have seen a slight decrease in the anticipated growth of the business in regard to Turnover. Margins have remained similar to the previous year but continue to be under pressure with the continuing volatility of currency markets. The Company continues to focus on increasing manufacturing output, expanding the product portfolio and improving efficiencies throughout the business. The Company also continues to seek new geographical markets to expand into.

#### **PRINCIPAL RISKS AND UNCERTAINTIES FACING THE BUSINESS**

Management continually monitors the key risks facing the Company together with assessing the controls used for managing these risks. The board of directors formally reviews and documents the principal risks facing the business at least annually.

The principal risks and uncertainties facing the Company are as follows:

- Global pandemic – The Company acknowledges the risk posed by the pandemic on its customers' ability to pay for orders and also suppliers ability to provide materials.
- Economic downturn – The Company acknowledges the importance of maintaining close relationships with its key customers in order to be able to identify the early signs of potential financial difficulties. Sales trends and payments are constantly reviewed to enable early action to be taken in the event of increased risk. \*
- Competitor pressure - The market in which the Company operates is considered to be relatively competitive, and therefore competitor pressure could result in losing sales to key competitors. The company manages this risk by providing quality products and maintaining strong relationships with its key customers.
- Reliance on key suppliers – The Company's purchasing activities could expose it to over reliance on certain suppliers and inflationary pricing pressure. The Company manages this risk by ensuring there is enough breadth in its supplier base and by constantly seeking to find potential alternative suppliers that may be used, if necessary.
- Loss of key personnel – This would present significant operational difficulties for the Company. Management seek to ensure that key personnel are appropriately remunerated to ensure that good performance is recognised.
- Exchange Rate Movements - The Company acquires a significant level of its stock from overseas suppliers in foreign currency. Movements in the exchange rates between currencies has the potential to impact the costs of the business.
- Financial risk management - The company adopts the principal policy of financing its working capital through retained earnings and through confidential invoice finance at the prevailing market interest rates. The company is exposed to the usual credit and cash flow risk of selling on credit and manages this through strict credit control procedures. By adhering to stringent credit limits, established for each customer, based on a combination of payment history and by utilising the UK's largest credit insurance agency, this risk is minimised.
- Currency risk - With regard to the turnover, the company has a fairly limited exposure to foreign exchange risk, as only 10% is derived from non-sterling accounts. The exposure is certainly more evident with regard to the stock purchases, where a considerable proportion are transacted in US dollars. Payments are handled through a combination of spot and forward currency deals.

#### **Development and financial performance during the year**

As reported in the profit and loss account, Turnover decreased by 7.4% to £13.6M in the current period. The gross margin has been maintained at 26% despite ongoing pressure on cost from continued volatility of the currency rates. The post tax result shows a loss of £202K against last year's profit of £163K.

# GLOBAL INTERNATIONAL TRADING LIMITED

## STRATEGIC REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2019**

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### Key performance indicators

Management use a range of performance measures to monitor and manage the business. The performance measures are split into financial and non-financial key performance indicators as set out below:

Turnover: The Company is looking to continually grow its revenue year on year

Gross Margin: The Company closely monitors the gross margin % as an indicator to ensure cost are controlled on its key products

Stock Turnover: The Company will monitor its stock turn to ensure stock on hand is always at the correct level

### Financial position at the reporting date

The statement of financial position shows that the Company's net assets at the year-end have decreased to £2.04M compared to £2.24M in 2018. No dividend has been declared. The stock holding has slightly increased due to an anticipation for increased sales early into 2020 while the debtor position is lower as sales were lower in the final quarter compared to 2018.

The company generated cash from operations of £216K and invested in £62K in fixed assets.

On behalf of the board

Mr J Albertini  
**Director**  
22 December 2020

Mr M Van Dongen  
**Director**  
22 December 2020

# GLOBAL INTERNATIONAL TRADING LIMITED

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 31 DECEMBER 2019**

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The directors present their annual report and financial statements for the year ended 31 December 2019.

### Principal activities

The principal activities of the company continued to be those of the manufacture, installation and distribution of window blinds & window blind components.

### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr J Albertini

Mr M Van Dongen

Mr J C Felicita

(Resigned 12 February 2019)

### Results and dividends

The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

### Treasury operations and financial instruments

The Company operates a centralised treasury function which is responsible for managing the liquidity, interest and foreign currency risks associated with the Company's activities. The Company's principal financial instruments include invoice and stock financing, the main purpose of which is to raise finance for the Company's operations. In addition, the Company has various other financial assets and liabilities such as trade receivables and trade payables arising directly from its operations.

### Future developments

In light of the ongoing pandemic, the directors consider that the forthcoming financial year will be a unique year of challenging trading conditions, but one the business is well placed to deal with through a balance customer base and supply chain. The aim is to continue to increase turnover and margins. Overall, the directors believe that the Company is well placed in terms of strategic and market position to maximise its ability to generate sales and satisfy customer demand, in spite of the difficult conditions facing the business.

### Auditor

The auditor, Ensors Accountants LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Mr J Albertini

**Director**

22 December 2020

Mr M Van Dongen

**Director**

22 December 2020

# **GLOBAL INTERNATIONAL TRADING LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 31 DECEMBER 2019***

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The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# GLOBAL INTERNATIONAL TRADING LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF GLOBAL INTERNATIONAL TRADING LIMITED

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#### Opinion

We have audited the financial statements of Global International Trading Limited (the 'company') for the year ended 31 December 2019 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.



# GLOBAL INTERNATIONAL TRADING LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF GLOBAL INTERNATIONAL TRADING LIMITED

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#### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Barry Gostling (Senior Statutory Auditor)**  
for and on behalf of Ensors Accountants LLP

23 December 2020

**Chartered Accountants**  
**Statutory Auditor**

Cardinal House  
46 St Nicholas Street  
Ipswich  
Suffolk  
IP1 1TT

# GLOBAL INTERNATIONAL TRADING LIMITED

## STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 £	2018 £
<b>Turnover</b>	<b>3</b>	13,641,777	14,711,368
Cost of sales		(10,077,181)	(10,914,002)
<b>Gross profit</b>		3,564,596	3,797,366
Distribution costs		(960,128)	(1,069,606)
Administrative expenses		(2,717,161)	(2,675,788)
<b>Operating (loss)/profit</b>	<b>4</b>	(112,693)	51,972
Interest receivable and similar income	<b>7</b>	5,342	5,050
Interest payable and similar expenses	<b>8</b>	(123,142)	(92,638)
Amounts written off loans	<b>9</b>	-	120,944
<b>(Loss)/profit before taxation</b>		(230,493)	85,328
Tax on loss/profit	<b>10</b>	28,564	77,401
<b>(Loss)/profit for the financial year</b>		(201,929)	162,729

The income statement has been prepared on the basis that all operations are continuing operations.

# GLOBAL INTERNATIONAL TRADING LIMITED

## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Tangible assets	12		1,404,341		1,343,507
<b>Current assets</b>					
Stocks	13	3,203,444		3,133,540	
Debtors	14	2,325,266		2,746,347	
Cash at bank and in hand		70,951		155,172	
		<u>5,599,661</u>		<u>6,035,059</u>	
<b>Creditors: amounts falling due within one year</b>	15	<u>(4,317,158)</u>		<u>(4,486,950)</u>	
<b>Net current assets</b>			<u>1,282,503</u>		<u>1,548,109</u>
<b>Total assets less current liabilities</b>			<u>2,686,844</u>		<u>2,891,616</u>
<b>Creditors: amounts falling due after more than one year</b>	16		(590,079)		(564,358)
<b>Provisions for liabilities</b>	19		(59,899)		(88,463)
<b>Net assets</b>			<u>2,036,866</u>		<u>2,238,795</u>
<b>Capital and reserves</b>					
Called up share capital	22		5,000		5,000
Profit and loss reserves			<u>2,031,866</u>		<u>2,233,795</u>
<b>Total equity</b>			<u>2,036,866</u>		<u>2,238,795</u>

The financial statements were approved by the board of directors and authorised for issue on 22 December 2020 and are signed on its behalf by:

Mr J Albertini  
Director

Mr M Van Dongen  
Director

Company Registration No. 03014472

# GLOBAL INTERNATIONAL TRADING LIMITED

## STATEMENT OF CHANGES IN EQUITY

*FOR THE YEAR ENDED 31 DECEMBER 2019*

	Share capital	Profit and loss reserves	Total
	£	£	£
<b>Balance at 1 January 2018</b>	5,000	2,071,066	2,076,066
<b>Year ended 31 December 2018:</b>			
Profit and total comprehensive income for the year	-	162,729	162,729
<b>Balance at 31 December 2018</b>	5,000	2,233,795	2,238,795
<b>Year ended 31 December 2019:</b>			
Loss and total comprehensive income for the year	-	(201,929)	(201,929)
<b>Balance at 31 December 2019</b>	5,000	2,031,866	2,036,866

# GLOBAL INTERNATIONAL TRADING LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	27	338,700		441,639	
Interest paid		(123,142)		(92,638)	
Income taxes (paid)/refunded		-		98	
<b>Net cash inflow from operating activities</b>		<u>215,558</u>		<u>349,099</u>	
<b>Investing activities</b>					
Purchase of tangible fixed assets		(62,295)		(71,382)	
Proceeds on disposal of tangible fixed assets		28,090		20,570	
Movement on loan provisions		-		120,944	
Proceeds from other investments and loans		3,367		-	
Interest received		5,342		5,050	
<b>Net cash (used in)/generated from investing activities</b>		<u>(25,496)</u>		<u>75,182</u>	
<b>Financing activities</b>					
Repayment of bank loans		(185,762)		(235,504)	
Payment of finance leases obligations		(88,521)		(57,034)	
<b>Net cash used in financing activities</b>		<u>(274,283)</u>		<u>(292,538)</u>	
<b>Net (decrease)/increase in cash and cash equivalents</b>		<u>(84,221)</u>		<u>131,743</u>	
Cash and cash equivalents at beginning of year		155,172		23,429	
<b>Cash and cash equivalents at end of year</b>		<u><u>70,951</u></u>		<u><u>155,172</u></u>	

# GLOBAL INTERNATIONAL TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2019**

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### **1 Accounting policies**

#### **Company information**

Global International Trading Limited is a private company limited by shares incorporated in England and Wales. The registered office is 3 Williamsport Way, New Lion Barn Industrial Estate, Needham Market, Ipswich, Suffolk, IP6 8RW.

#### **1.1 Accounting convention**

These financial statements have been prepared under the historical cost convention and in accordance with FRS 102 "The Financial Reporting Standard" applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The global pandemic did affect the Company's operations, but the business was able to find solutions to the challenges faced. Due to the time it takes to purchase stock there was already stock in transit on its way to the business when lockdown was announced in March 2020 which meant goods were available to produce orders. The business also has a large manufacturing facility which presented the opportunity to implement strict social distancing and screening measures, but just with a significantly reduced workforce. The business also transitioned to 24 hours working to improve available working hours. On a financing viewpoint, the business adopted the strictest cash flow measures possible by using the opportunity to defer taxes with HMRC under the time to pay arrangements and also managed its cash flows well with the assistance of its banking provider.

Staff travel was impacted as travel restrictions were put in place, but the use of online communication software and the Company's push to improve processes and software in recent times minimised the risk to the business and its customers.

#### **1.3 Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year, and is recognised at the invoice date.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### **1.4 Intangible fixed assets - goodwill**

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

#### **1.5 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

# GLOBAL INTERNATIONAL TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Freehold	2% straight line
Plant and machinery	25% reducing balance
Fixtures, fittings & equipment	25% reducing balance
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.6 Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

# GLOBAL INTERNATIONAL TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

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### 1 Accounting policies

(Continued)

#### 1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.



# GLOBAL INTERNATIONAL TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

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### 1 Accounting policies

(Continued)

#### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### **Basic financial liabilities**

Basic financial liabilities, including trade and other payables, bank loans and loans from fellow group companies that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables 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 payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Other financial liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

### 1.11 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

### 1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

# GLOBAL INTERNATIONAL TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

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### 1 Accounting policies

(Continued)

#### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.13 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.14 Retirement benefits**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit or loss.

#### **1.15 Leases**

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

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

# GLOBAL INTERNATIONAL TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 1 Accounting policies

(Continued)

#### 1.16 Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

#### 1.17 Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

##### Stock provisioning

The company sells window covering solutions which is subject to changing consumer demands and fashions. As a result it is necessary to consider the recoverability of the cost of the stock and the associated provisioning required. When calculating the provision, management considers the nature and age of the stock as well as applying assumptions around anticipated saleability of stock.

##### Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the aging profile of debtors, whether covered by insurance and historical experience.

### 3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2019	2018
	£	£
<b>Turnover analysed by class of business</b>		
Window covering solutions	13,641,777	14,711,368

# GLOBAL INTERNATIONAL TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 3 Turnover and other revenue (Continued)

	2019 £	2018 £
<b>Other significant revenue</b>		
Interest income	5,342	5,050
	<u>5,342</u>	<u>5,050</u>
	<b>2019 £</b>	<b>2018 £</b>
<b>Turnover analysed by geographical market</b>		
United Kingdom	12,480,208	13,781,294
Rest of world	1,161,569	930,074
	<u>13,641,777</u>	<u>14,711,368</u>

### 4 Operating (loss)/profit

	2019 £	2018 £
Operating (loss)/profit for the year is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	(8,741)	26,444
Fees payable to the company's auditor for the audit of the company's financial statements	12,450	12,000
Depreciation of owned tangible fixed assets	92,144	96,389
Depreciation of tangible fixed assets held under finance leases	88,771	65,629
Profit on disposal of tangible fixed assets	(20,970)	(17,067)
Operating lease charges	125,070	117,286
	<u>125,070</u>	<u>117,286</u>

### 5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2019 Number	2018 Number
Production staff	113	115
Administration staff	27	33
	<u>140</u>	<u>148</u>
<b>Total</b>	<b>140</b>	<b>148</b>

# GLOBAL INTERNATIONAL TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 5 Employees (Continued)

Their aggregate remuneration comprised:

	2019 £	2018 £
Wages and salaries	2,830,558	2,988,929
Social security costs	219,626	231,842
Pension costs	43,845	32,729
	<u>3,094,029</u>	<u>3,253,500</u>

### 6 Directors' remuneration

	2019 £	2018 £
Remuneration for qualifying services	156,417	212,500
Company pension contributions to defined contribution schemes	-	766
	<u>156,417</u>	<u>213,266</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2018 - 2).

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2019 £	2018 £
Remuneration for qualifying services	n/a	152,500
Company pension contributions to defined contribution schemes	n/a	65
	<u></u>	<u></u>

As total directors' remuneration was less than £200,000 in the current year, no disclosure is provided for that year.

### 7 Interest receivable and similar income

	2019 £	2018 £
<b>Interest income</b>		
Interest receivable from group companies	<u>5,342</u>	<u>5,050</u>
Investment income includes the following:		
Interest on financial assets not measured at fair value through profit or loss	<u>5,342</u>	<u>5,050</u>

# GLOBAL INTERNATIONAL TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 8 Interest payable and similar expenses

	2019 £	2018 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	104,151	81,868
<b>Other finance costs:</b>		
Interest on finance leases and hire purchase contracts	18,991	10,770
	<u>123,142</u>	<u>92,638</u>

### 9 Amounts written off loans

	2019 £	2018 £
Amounts written off related party loans	-	(120,944)
	<u>-</u>	<u>(120,944)</u>

### 10 Taxation

	2019 £	2018 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	-	(87,976)
	<u>-</u>	<u>(87,976)</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(28,564)	10,575
	<u>(28,564)</u>	<u>10,575</u>
<b>Total tax credit</b>	<u>(28,564)</u>	<u>(77,401)</u>

The actual credit for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	2019 £	2018 £
(Loss)/profit before taxation	<u>(230,493)</u>	<u>85,328</u>
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	(43,794)	16,212
Tax effect of expenses that are not deductible in determining taxable profit	6,402	210
Adjustments in respect of prior years	-	(87,977)
Effect of change in corporation tax rate	6,917	(1,243)
Group relief	-	(7,923)
Depreciation on assets not qualifying for tax allowances	1,911	3,320
<b>Taxation credit for the year</b>	<u>(28,564)</u>	<u>(77,401)</u>

# GLOBAL INTERNATIONAL TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 11 Intangible fixed assets

	Goodwill £
<b>Cost</b>	
At 1 January 2019 and 31 December 2019	21,300
<b>Amortisation and impairment</b>	
At 1 January 2019 and 31 December 2019	21,300
<b>Carrying amount</b>	
At 31 December 2019	-
At 31 December 2018	-

### 12 Tangible fixed assets

	Land and buildings Freehold £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 January 2019	1,093,597	1,075,188	295,557	16,700	2,481,042
Additions	-	217,282	14,592	16,995	248,869
Disposals	-	-	(883)	(16,700)	(17,583)
At 31 December 2019	1,093,597	1,292,470	309,266	16,995	2,712,328
<b>Depreciation and impairment</b>					
At 1 January 2019	238,644	692,985	196,520	9,386	1,137,535
Depreciation charged in the year	18,212	132,476	27,161	3,066	180,915
Eliminated in respect of disposals	-	-	(135)	(10,328)	(10,463)
At 31 December 2019	256,856	825,461	223,546	2,124	1,307,987
<b>Carrying amount</b>					
At 31 December 2019	836,741	467,009	85,720	14,871	1,404,341
At 31 December 2018	854,953	382,203	99,037	7,314	1,343,507

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2019 £	2018 £
Plant and machinery	301,962	224,659
Motor vehicles	14,871	6,648
	316,833	231,307

# GLOBAL INTERNATIONAL TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 13 Stocks

	2019 £	2018 £
Finished goods and goods for resale	3,203,444	3,133,540

### 14 Debtors

	2019 £	2018 £
<b>Amounts falling due within one year:</b>		
Trade debtors	1,231,087	1,539,621
Amounts owed by group undertakings	882,891	745,850
Other debtors	211,288	460,876
	2,325,266	2,746,347

### 15 Creditors: amounts falling due within one year

	Notes	2019 £	2018 £
Bank loans	17	137,920	287,026
Obligations under finance leases	18	96,359	60,683
Trade creditors		1,109,808	794,839
Taxation and social security		246,291	440,242
Other creditors		2,726,780	2,904,160
		4,317,158	4,486,950

Included within Other Creditors are borrowings in respect of an invoice financing and stock drawdown facility. These totalled £2,073,653 at 31 December 2019 (2018: £1,954,566).

These borrowings are secured by a fixed and floating charge over the present and future assets of the Company.

### 16 Creditors: amounts falling due after more than one year

	Notes	2019 £	2018 £
Bank loans and overdrafts	17	372,744	409,400
Obligations under finance leases	18	217,335	154,958
		590,079	564,358

Bank loans and overdrafts are secured by a fixed and floating charge over the assets of the company.

Obligations under finance leases are secured on the fixed assets to which they relate.



# GLOBAL INTERNATIONAL TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 16 Creditors: amounts falling due after more than one year (Continued)

Amounts included above which fall due after five years are as follows:

Payable by instalments	210,790	251,179
	<u>          </u>	<u>          </u>

### 17 Loans and overdrafts

	2019 £	2018 £
Bank loans	510,664	696,426
	<u>          </u>	<u>          </u>
Payable within one year	137,920	287,026
Payable after one year	372,744	409,400
	<u>          </u>	<u>          </u>

The loan is secured by a legal charge over the freehold property of the Company.

The Company obtained a bank loans totalling £950,000 during 2017 which are repayable in instalments over 12 years. The loan attracts interest at 2% over the base rate which is 0.75% at the year end.

### 18 Finance lease obligations

	2019 £	2018 £
Future minimum lease payments due under finance leases:		
Within one year	96,359	60,683
In two to five years	217,335	154,958
	<u>          </u>	<u>          </u>
	313,694	215,641
	<u>          </u>	<u>          </u>

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is five years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

### 19 Provisions for liabilities

	Notes	2019 £	2018 £
Deferred tax liabilities	20	59,899	88,463
		<u>          </u>	<u>          </u>

# GLOBAL INTERNATIONAL TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 20 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2019 £	Liabilities 2018 £
<b>Balances:</b>		
Accelerated capital allowances	111,781	88,463
Tax losses	(51,882)	-
	<u>59,899</u>	<u>88,463</u>
		<b>2019 £</b>
<b>Movements in the year:</b>		
Liability at 1 January 2019		88,463
Credit to profit or loss		(28,564)
		<u>59,899</u>

The deferred tax liability set out above relates to accelerated capital allowances that are expected to reverse over the period that the underlying fixed assets are depreciated.

The company has estimated losses of £273,063 (2018: £nil) available for carry forward against future trading profits. The deferred tax asset in respect of these losses reduces the deferred tax liability in respect of accelerated capital allowances.

### 21 Retirement benefit schemes

	2019 £	2018 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	43,845	32,729

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

### 22 Share capital

	2019 £	2018 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
5,000 Ordinary shares of £1 each	5,000	5,000

# GLOBAL INTERNATIONAL TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 23 Operating lease commitments

#### Lessee

Operating lease payments represent rentals payable by the company for certain of its assets. Leases are negotiated for an average term of 3 years.

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2019 £	2018 £
Within one year	94,042	82,000
Between two and five years	147,543	16,775
	<u>241,585</u>	<u>98,775</u>

### 24 Events after the reporting date

On 11 March 2020, the World Health Organisation (WHO) declared a pandemic following the outbreak of Covid-19. The directors consider that the operational and financial impact of the pandemic is likely to be minimal.

The financial statements have not been adjusted in respect of any potential financial impact arising from Covid-19.

### 25 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel, including directors, is as follows.

	2019 £	2018 £
Aggregate compensation	156,417	213,266

#### Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Sale of goods		Purchase of goods	
	2019 £	2018 £	2019 £	2018 £
Entities with control, joint control or significant influence over the company	13,871	-	22,755	39,901
Entities over which the entity has control, joint control or significant influence	170,067	80,121	450,103	231,108
Other related parties	86,347	-	38,358	-
	<u>270,285</u>	<u>80,121</u>	<u>511,216</u>	<u>271,009</u>

# GLOBAL INTERNATIONAL TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 25 Related party transactions

(Continued)

	Amounts written off loans		Management fees	
	2019 £	2018 £	2019 £	2018 £
Entities with control, joint control or significant influence over the company	-	-	107,100	102,000
Entities over which the entity has control, joint control or significant influence	-	(120,944)	-	-
	<u>-</u>	<u>(120,944)</u>	<u>107,100</u>	<u>102,000</u>

The following amounts were outstanding at the reporting end date:

	2019 £	2018 £
<b>Amounts owed to related parties</b>		
Entities with control, joint control or significant influence over the company	232,334	232,337
Entities over which the entity has control, joint control or significant influence	281,634	74,443
	<u>513,968</u>	<u>306,780</u>

The following amounts were outstanding at the reporting end date:

	2019 £	2018 £
<b>Amounts owed by related parties</b>		
Entities over which the entity has control, joint control or significant influence	862,984	734,990
Key management personnel	-	3,367
Other related parties	219,909	34,409
	<u>1,082,893</u>	<u>772,766</u>

The other related parties balance relates to a company under the control of the parent of Global International Trading Limited and a Global International Trading Limited director.

The Company has borrowing secured with a cross guarantee in place with fellow Group companies Global Mergers & Acquisitions Ltd and Global Blinds & Shutters Ltd.

### 26 Ultimate controlling party

At the year end the immediate and ultimate parent company is Global Mergers & Acquisitions Limited, a company registered in England and Wales.

The ultimate controlling parties are considered to be the directors by virtue of their shareholdings in the group.

# GLOBAL INTERNATIONAL TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 27 Cash generated from operations

	2019 £	2018 £
(Loss)/profit for the year after tax	(201,929)	162,729
<b>Adjustments for:</b>		
Taxation credited	(28,564)	(77,401)
Finance costs	123,142	92,638
Investment income	(5,342)	(5,050)
Gain on disposal of tangible fixed assets	(20,970)	(17,067)
Depreciation and impairment of tangible fixed assets	180,915	162,018
Amounts written off investments	-	(120,944)
<b>Movements in working capital:</b>		
(Increase)/decrease in stocks	(69,904)	230,977
Decrease/(increase) in debtors	417,714	(169,525)
(Decrease)/increase in creditors	(56,362)	183,264
<b>Cash generated from operations</b>	<b>338,700</b>	<b>441,639</b>

### 28 Analysis of changes in net debt

	1 January 2019 £	Cash flows £	New finance leases £	31 December 2019 £
Cash at bank and in hand	155,172	(84,221)	-	70,951
Borrowings excluding overdrafts	(696,426)	185,762	-	(510,664)
Obligations under finance leases	(215,641)	88,521	(186,574)	(313,694)
	<u>(756,895)</u>	<u>190,062</u>	<u>(186,574)</u>	<u>(753,407)</u>

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.