

Company registration number 04266620 (England and Wales)

GERSTAECKER UK LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
PAGES FOR FILING WITH REGISTRAR

GERSTAECKER UK LIMITED

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GERSTAECKER UK LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	4		356,662		419,210
Current assets					
Stocks		300,026		368,229	
Debtors	5	408,344		380,817	
Cash at bank and in hand		86,988		174,209	
		<u>795,358</u>		<u>923,255</u>	
Creditors: amounts falling due within one year	6	<u>(1,587,445)</u>		<u>(1,551,839)</u>	
Net current liabilities			<u>(792,087)</u>		<u>(628,584)</u>
Net liabilities			<u>(435,425)</u>		<u>(209,374)</u>
Capital and reserves					
Called up share capital	7	1,800,000		1,800,000	
Profit and loss reserves		<u>(2,235,425)</u>		<u>(2,009,374)</u>	
Total equity			<u>(435,425)</u>		<u>(209,374)</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 31 December 2022 and are signed on its behalf by:

Mr C A Geyer
Director

Company Registration No. 04266620

GERSTAECKER UK LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 January 2020	1,800,000	(2,183,885)	(383,885)
Year ended 31 December 2020:			
Profit and total comprehensive income for the year	-	174,511	174,511
Balance at 31 December 2020	1,800,000	(2,009,374)	(209,374)
Year ended 31 December 2021:			
Loss and total comprehensive income for the year	-	(226,051)	(226,051)
Balance at 31 December 2021	1,800,000	(2,235,425)	(435,425)

GERSTAECKER UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Gerstaecker UK Limited is a private company limited by shares incorporated in England and Wales. The registered office is Greatart Head Office, 41-49 Kingsland Road, London, E2 8AG.

1.1 Accounting convention

These financial statements have been prepared 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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

In drawing their conclusion on the appropriateness of the going concern assumption, the directors have been mindful of the company having net current liabilities of £750,276 (2020: £628,584), net liabilities of £393,614 (2020: £209,374) and that it generated losses for the financial year of £184,240 (2020: profit of £174,511).

Within the net current liabilities noted above are significant intercompany balances of £1,203,096 due to Johannes Gerstaecker Verlag GmbH which are repayable on demand. The directors do not currently anticipate that the relevant balances will be recalled within 12 months from the date that these accounts are signed as supporting confirmations have been obtained from the parent company, Johannes Gerstaecker Verlag GmbH.

The parent company, Johannes Gerstaecker Verlag GmbH, has confirmed its intention to provide sufficient financial support to the company in order to meet its liabilities for at least 12 months from the date of signing these financial statements.

Taking the above into consideration, the directors have a reasonable expectation that the company has adequate resources and support to continue in operational existence for the foreseeable future and therefore, they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

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 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.

GERSTAECKER UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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:

Leasehold improvements	Remaining term of lease
Fixtures, fittings and equipment	3-15 years straight line
Computer equipment and software	3-5 years straight line

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.

1.5 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.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

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.

1.6 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.

1.7 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 balance sheet 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.

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.

GERSTAECKER UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 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.

1.9 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.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.11 Leases

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.

1.12 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

GERSTAECKER UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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 valuation and obsolescence

Stocks are valued at the lower of cost and net realisable value. Cost is based on the purchase cost. Net realisable value, includes, where necessary, provisions for slow moving and obsolete stocks. Calculation of these provisions requires judgements to be made, which include the forecasted customer demand, competitive and economic environment as well as the ageing of stock. These variables are monitored by the directors and a provision is in place to mitigate the relevant risk.

Useful economic lives of non-current assets

The useful economic lives of non-current assets have been derived from the judgement of the directors, using their best estimate of the write-down period.

3 Employees

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

	2021 Number	2020 Number
Total	16	18
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GERSTAECKER UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 January 2021 and 31 December 2021	124,688	555,873	680,561
Depreciation and impairment			
At 1 January 2021	18,788	242,563	261,351
Depreciation charged in the year	10,391	52,157	62,548
At 31 December 2021	29,179	294,720	323,899
Carrying amount			
At 31 December 2021	95,509	261,153	356,662
At 31 December 2020	105,900	313,310	419,210

5 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	82,737	54,331
Other debtors	71,779	57,069
	154,516	111,400
Amounts falling due after more than one year:		
Other debtors	253,828	269,417
Total debtors	408,344	380,817

6 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	97,521	63,384
Amounts owed to group undertakings	1,203,096	1,216,767
Taxation and social security	120,105	148,799
Other creditors	166,723	122,889
	1,587,445	1,551,839

GERSTAECKER UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

7 Called up share capital

	2021	2020	2021	2020
	Number	Number	£	£
Ordinary share capital Issued and fully paid				
Ordinary Shares of £1 each	1,800,000	1,800,000	1,800,000	1,800,000

8 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

Senior Statutory Auditor:	Samantha Daniels
Statutory Auditor:	Shaw Gibbs (Audit) Limited

9 Operating lease commitments

Lessee

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

	2021	2020
	£	£
Total commitment	2,418,598	2,515,342

The parent company Johannes Gerstäcker Verlag GmbH has provided a guarantee in respect of a lease.

The company successfully negotiated a new lease for the existing premises that commenced during the year.

10 Related party transactions

The company has taken advantage of the exemptions provided under section 33.1A - Related party disclosures not to disclose transactions with the related undertakings of Gerstäcker Management GmbH & Co. KG.

11 Parent company

The company is a wholly owned subsidiary of Johannes Gerstäcker Verlag GmbH, a company registered in Germany. The parent company's registered office is Wecostraße 4, D-53783 Eitorf, Germany.

The ultimate parent company during the period was Gerstäcker Management GmbH & Co. KG, a company registered in Germany. A copy of the group accounts can be obtained from Gerstäcker Management GmbH & Co. KG, at Wecostraße 4, D-53783 Eitorf, Germany.

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.