

**COMPANY REGISTRATION NUMBER: 07314559**

**GKR London Limited**

**Financial Statements**

**31 December 2020**

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**GKR London Limited**

**Financial Statements**

**Year ended 31 December 2020**

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**GKR London Limited**

**Directors and other information**

**Year ended 31 December 2020**

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<b>Directors</b>	D Jalan A Hamid A McDowell G Kaveney
<b>Company Secretary</b>	G Dolan
<b>Company number</b>	07314559
<b>Registered office</b>	Thomas House 84 Eccleston Square London SW1V 1PX UK
<b>Auditor</b>	BDO LLP 55 Baker Street W1U 7EU
<b>Bankers</b>	HSBC Bank Plc Kingston Upon Thames, Surrey, KT1 4DA

## **GKR London Limited**

### **Directors' Report**

#### **Year ended 31 December 2020**

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The directors present their report and the financial statements of the company for the year ended 31 December 2020.

#### **Principal activity**

The principal activity of the Company is the provision of recruitment consultancy services.

#### **Results and dividends**

The profit for the year after taxation is £67,657 (2019: £6,774 loss)

The directors declared and paid dividends on ordinary shares of £25,000 in the year ended 31 December 2020 (2019: £nil).

#### **Going concern**

The Company is a member of the Group headed up by Resourcing Capital Ventures Limited, a UK company registered in England and Wales. The Group has prepared a going concern assessment within which the Company is included. The assessment shows that there are no concerns with liquidity, with stress testing showing sufficient headroom and multiple cost and cash saving levers available to management to ensure the financial health of the group should economic conditions worsen.

After reviewing the Company's forecasts and projections, and having considered all potential uncertainties facing the Company alongside the operational profile of the business, the directors have a reasonable expectation that the Company has adequate financial resources to continue in operational existence for the foreseeable future. For this reason, the directors consider it appropriate to continue to adopt the going concern basis in preparing the financial statements.

#### **Directors**

The directors who served the company during the year were as follows:

A Hamid  
D Jalan  
G Kaveney  
A McDowell

## **GKR London Limited**

### **Directors' Report (continued)**

**Year ended 31 December 2020**

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#### **Directors' responsibilities statement**

The directors are responsible for preparing the directors' 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 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 judgments and accounting estimates that are reasonable and prudent; and
- 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.

#### **Financial risk management**

The Company's operations are affected by a small number of financial risks that include the effects of market risks and trade debtors. The directors actively manage these risks by monitoring market changes, key metrics and by the setting of robust policies about the level of credit offered.

#### **Future developments**

The company does not intend to change its activity in the coming financial year.

#### **Financial instruments**

The Company holds or issues financial instruments in order to finance its operations. Various financial instruments for example trade debtors and creditors arise directly from the Company's operations. GKR London Limited do not use financial instruments for hedging purposes. Transactions involving financial instruments result in the Company assuming or transferring to another party one or more of the following financial risks:

#### Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Group uses a combination of equity finance and bank facilities.

**GKR London Limited**

**Directors' Report (continued)**

**Year ended 31 December 2020**

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**Financial instruments (continued)**

Liquidity risk (continued)

The group has access to an invoice discounting facility with HSBC, which the company avails itself of, particularly to finance contractor payments. The group typically is 50-60% drawn on the invoice discounting facility, with further drawdown readily available in the event of any liquidity danger.

In addition, the Group has a term loan and Revolving Credit Facility with HSBC and from which there is additional available funding if it were required. These mature in 2023.

Credit risk

The Group's credit risk is primarily attributed to its trade debtors with the risk of losses in the event of non-performance by the counterparties. The amount of trade debtors presented on the company's balance sheet being net of provisions for doubtful debts.

The risk is being managed through company policies focusing on the level of credit offered to customers in order to avoid concentration risk as well as monitoring of the amounts outstanding, in terms of both these limits and time.

Recruitment and growth risk

Growth and future success of the business relies on the company's ability to attract new talent. The company's dedicated talent and training teams mitigate this risk through a tailored onboarding and development programme to ensure that the best talent is recruited as well as retained, supporting the growth of the business.

**Auditor**

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

**Small company provisions**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

This report was approved by the board of directors on 24 June 2021 and signed on behalf of the board by:



A McDowell  
Director

**GKR London Limited**

**Independent Auditor's Report To The Members of GKR London Limited**

**Year Ended 31 December 2020**

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**Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its profit 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.

We have audited the financial statements of GKR London Limited ("the Company") for the year ended 31 December 2020 which comprise the Statement of comprehensive income; Statement of financial position; Statement of changes in equity 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

**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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Independence*

We remain 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.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

**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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

**GKR London Limited**

**Independent Auditor's Report To The Members of GKR London Limited**

**Year Ended 31 December 2020**

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We have nothing to report in this regard.

**Other Companies Act 2006 reporting**

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

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

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 Directors' report.

We have nothing to report in respect of the following matters in relation to which 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; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

**Responsibilities of Directors**

As explained more fully in the Statement of Directors' Responsibilities, 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.

*Extent to which the audit was capable of detecting irregularities, including fraud*

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:



## GKR London Limited

### Independent Auditor's Report To The Members of GKR London Limited

Year Ended 31 December 2020

The objectives of our audit, in respect to fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to GKR London Limited and determined that the most significant frameworks, which are directly relevant to specific assertions in the financial statements, are those that relate to the reporting framework, FRS 102 and the Companies Act 2006.
- We considered provisions of other laws and regulations that do not have direct effect on the financial statements but compliance with which may be fundamental to the Group's ability to operate. This included testing compliance with the coronavirus job retention scheme criteria.
- We understood how the Group is complying with those frameworks by making enquiries of management. We corroborated our enquiries through our review of board minutes. There were no material legal matters detected through our audit procedures.
- Our audit planning identified fraud risks in relation to management override of controls and improper revenue recognition around the year-end. We considered the processes and controls that the Group has established to address risks identified, or that otherwise prevent, deter and detect fraud and how management monitors those processes and controls.
- We designed our audit procedures to detect irregularities, including fraud. Our procedures included journal entry testing, with a focus on large (greater than performance materiality) and unusual transactions based on the knowledge of the business. This also included testing, any journal entries posted with unusual account combinations, which were revenue journals with double entry posted directly to unexpected financial statement account; and testing of cash journals posted directly to income statement.
- Additionally, we reviewed all material consolidation journals and material journals in preparation of the annual accounts preparation.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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.

DocuSigned by:

**Andrew Radford**

Andrew Radford (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor  
London, UK

Date: 24 June 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**GKR London Limited****Statement of Comprehensive Income****Year ended 31 December 2020**

	Note	2020 £	2019 £
<b>Turnover</b>		1,407,328	1,591,923
Cost of sales		(413,135)	(199,479)
<b>Gross profit</b>		994,193	1,392,444
Administrative expenses		(1,041,842)	(1,399,136)
Other income		134,515	-
<b>Operating profit/ (loss)</b>		86,866	(6,692)
Interest payable and similar expenses		(2,477)	(82)
<b>Profit/ (loss) before taxation</b>	<b>6</b>	84,389	(6,774)
Tax on Profit/ (loss)	<b>7</b>	(16,732)	-
<b>Profit/ (loss) for the financial year and total comprehensive income/(loss)</b>		67,657	(6,774)

All the activities of the company are from continuing operations.

The company has no other recognised items of income and expenses other than the results for the year as set out above.

The notes on pages 11 to 19 form part of the financial statements.

**GKR London Limited****Statement of Financial Position****31 December 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Intangible assets	8	3,766	7,088
Tangible assets	9	2,118	631
		<u>5,884</u>	<u>7,719</u>
<b>Current assets</b>			
Debtors	10	175,336	341,684
Cash at bank and in hand		112,423	33,077
		<u>287,759</u>	<u>374,761</u>
<b>Creditors: amounts falling due within one year</b>	11	(229,557)	(340,371)
<b>Net current assets</b>		<u>58,202</u>	<u>34,390</u>
Total assets less current liabilities		64,086	42,109
<b>Net assets</b>		<u>64,086</u>	<u>42,109</u>
<b>Capital and reserves</b>			
Called up share capital	12	5	5
Shareholder loans		-	20,680
Profit and loss account		64,081	21,424
<b>Shareholders' funds</b>		<u>64,086</u>	<u>42,109</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'

These financial statements were approved by the board of directors and authorised for issue on 24 June 2021, and are signed on behalf of the board by:



A McDowell  
Director

Company registration number: 07314559

The notes on pages 11 to 19 form part of the financial statements.

**GKR London Limited**

**Statement of Changes in Equity**

**Year ended 31 December 2020**

	<b>Called up share capital</b>	<b>Shareholder loans</b>	<b>Profit and loss account</b>	<b>Shareholders' funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>At 1 January 2019</b>	5	40,680	28,198	68,883
Loss for the year	-	-	(6,774)	(6,774)
<b>Total comprehensive income for the period</b>	-	-	(6,774)	(6,774)
Shareholders loan repayments	-	(20,000)	-	(20,000)
<b>Total investments by and distributions to owners</b>				
<b>At 31 December 2019</b>	5	20,680	21,424	42,109
Profit for the year	-	-	67,657	67,657
<b>Total comprehensive income for the period</b>	-	-	67,657	67,657
Shareholder loan repayments	-	(20,680)	-	(20,680)
Dividend payment	-	-	(25,000)	(25,000)
<b>Total investments by and distributions to owners</b>	-	(20,680)	(25,000)	(45,680)
<b>At 31 December 2020</b>	<b>5</b>	<b>-</b>	<b>64,081</b>	<b>64,086</b>

The notes on pages 11 to 19 form part of the financial statements.

## **GKR London Limited**

### **Notes to the Financial Statements**

**Year ended 31 December 2020**

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#### **1. General information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Thomas House, 84 Eccleston Square, London SW1V 1PX, UK.

#### **2. Statement of compliance**

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

#### **3. Accounting policies**

##### **Basis of preparation**

The financial statements have been prepared on the historical cost basis.

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

The company, as a qualifying entity defined under FRS 102, has taken the exemption from disclosing the following in these financial statements:

- Certain disclosures around, including a reconciliation of, the financial instruments as required by section 11 of FRS 102
- Disclosure of key management personnel remuneration as required by section 33 of FRS 102
- Presentation of a cash flow statement for the company as required by section 7 of FRS 102

The equivalent disclosures are made in the consolidated financial statements of Resourcing Capital Ventures Limited, within which the company is consolidated, and which are available from the Companies Registrar.

##### **Going concern**

The Company is a member of the Group headed up by Resourcing Capital Ventures Limited, a UK company registered in England and Wales. The Group has prepared a going concern assessment within which the Company is included. The assessment shows that there are no concerns with liquidity, with stress testing showing sufficient headroom and multiple cost and cash saving levers available to management to ensure the financial health of the group should economic conditions worsen.

After reviewing the Company's forecasts and projections, and having considered all potential uncertainties facing the Company alongside the operational profile of the business, the directors have a reasonable expectation that the Company has adequate financial resources to continue in operational existence for the foreseeable future. For this reason, the directors consider it appropriate to continue to adopt the going concern basis in preparing the financial statements.

**3. Accounting policies (continued)**

**Financial instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

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.

**Financial assets and liabilities**

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments which meet the conditions of being 'basic' financial instruments as defined in paragraph 11.9 of FRS 102 are subsequently measured at amortised cost using the effective interest method.

Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue recognised is split into two streams, being the provision of temporary (contractor) placement services and the provision of permanent placement revenues.

Turnover arising from temporary placements is recognised over the period that temporary workers are provided and represents the amounts billed for the services of the temporary workers, including the remuneration costs of the temporary workers.

Turnover recognised from temporary contract assignments and permanent placements, but not yet invoiced, at the reporting date, is correspondingly accrued on the balance sheet within "accrued income" as part of "Debtors" (see note 10). No provision is made for the cancellation of placements prior to or shortly after the commencement of employment, since revenue is recognised after the commencement of employment and instances of cancellation shortly after commencement of employment are historically low across the Group.

**GKR London Limited**

**Notes to the Financial Statements (continued)**

**Year ended 31 December 2020**

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**3. Accounting policies (continued)**

**Revenue recognition (continued)**

Permanent placement revenues are recognised by the company at the point that the candidate reaches their start date, which is when the company are contractually entitled to the commission revenue. Any back outs are recognised at the point in time that this occurs and where a liability to refund arises, is recognised via a refund of the sale.

**Government grants**

Grants are accounted for under the accruals model as permitted by FRS102. Grants of a revenue nature are recognised in "other income" within the profit and loss in the same period as the related expenditure. This includes the Government Coronavirus Job Retention Scheme ('Furlough'). The company has not directly benefited from any other forms of government assistance.

**Taxation**

Current tax, being United Kingdom corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results in the financial statements that arise from the inclusion of gains and losses in tax assessments in years different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the years in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

**Tangible fixed assets**

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets at rates calculated to write off the costs, less estimated residual value, of each asset on a straight-line basis over its expected useful life as follows:

Computer equipment	3 years
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Residual value is calculated on prices prevailing at the date of acquisition.

**GKR London Limited**

**Notes to the Financial Statements (continued)**

**Year ended 31 December 2020**

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**3. Accounting policies (continued)**

**Intangible fixed assets**

Intangible fixed assets are stated at cost, net of amortisation and any provision for impairment. Amortisation is provided on all intangible fixed assets at rates calculated to write off the costs, less estimated residual value, of each asset on a straight-line basis over its expected useful life as follows:

Website Development	3 years
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Residual value is calculated on prices prevailing at the date of acquisition.

**Define Contribution Plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

**Shareholder loans**

The Group enters into agreements with regards to financing the Group and based on the terms of those agreements we determine if they are appropriately classified as debt or equity. We monitor these contracts on a regular basis and if there is a change in their nature we reclassify accordingly.

Shareholder loans are considered to be an equity balance rather than a liability, since they only crystallise in the event of either the management of the subsidiary agreeing to declare repayments of these from free cash flows, or in the event that the subsidiary entity is put into administration. Management have given due regard to the requirements of section 22 of FRS 102 and the delineation between contractual liabilities and equity in coming to these judgements.

**Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using effective interest method, less any impairment.

**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. Cash and cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**Creditors**

Short term creditors are measured at transaction price. Other financial liabilities, including bank loans, are measure initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.



**GKR London Limited**

**Notes to the Financial Statements (continued)**

**Year ended 31 December 2020**

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**3. Accounting policies (continued)**

**Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Company's accounting policies, which are described above, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Other than those involving estimations, the directors do not believe there are any critical judgements made in applying accounting policies that would have a significant effect on the amounts recognised; nor do they believe any assumptions or other major sources of estimation uncertainty would have a significant risk resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**Key sources of estimating uncertainty**

There are no estimation uncertainty concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**Debtor impairment:**

In determining whether or not a debtor is impaired, Management exercise judgment including known delinquency of the debtor in the past, consideration of ageing of the debtor, and any known disputes over the invoice.

**4. Auditor's remuneration**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Fees payable for the audit of the financial statements	<b>6,500</b>	<b>8,000</b>

**GKR London Limited****Notes to the Financial Statements (continued)****Year ended 31 December 2020****5. Employee numbers**

The average number of persons employed by the company during the year amounted to 13 (2019: 15).

	2020	2019
	£	£
Wages and salaries	653,832	825,884
Social Security costs	76,811	96,430
Pension	12,848	12,281
	<u>743,491</u>	<u>934,595</u>

**6. Profit/(Loss) before taxation**

Profit/(Loss) before taxation is stated after charging:

	2020	2019
	£	£
Depreciation	1,590	1,463
Amortisation of intangible assets	3,322	5,539
Other income	134,515	-
	<u>139,427</u>	<u>6,992</u>

**7. Taxation on profit**

The tax charge comprises:

	2020	2019
	£	£
<b>Current tax</b>		
UK Corporation tax	16,732	-
	<u>16,732</u>	<u>-</u>

**GKR London Limited****Notes to the Financial Statements (continued)****Year ended 31 December 2020****8. Intangible assets**

	<b>Website development £</b>
<b>Cost</b>	
At 1 January 2020	16,568
Additions	-
<b>At 31 December 2020</b>	<b>16,568</b>
<b>Amortisation</b>	
At 1 January 2020	9,480
Charge for the year	3,322
<b>At 31 December 2020</b>	<b>12,802</b>
<b>Carrying amount</b>	
<b>At 31 December 2020</b>	<b>3,766</b>
At 31 December 2019	7,088

**9. Tangible fixed assets**

	<b>Computer Equipment £</b>
<b>Cost</b>	
At 1 January 2020	9,617
Additions	3,077
<b>At 31 December 2020</b>	<b>12,694</b>
<b>Depreciation</b>	
At 1 January 2020	8,986
Charge for the year	1,590
<b>At 31 December 2020</b>	<b>10,576</b>
<b>Carrying amount</b>	
<b>At 31 December 2020</b>	<b>2,118</b>
At 31 December 2019	631

**GKR London Limited****Notes to the Financial Statements (continued)****Year ended 31 December 2020****10. Debtors**

	2020	2019
	£	£
Trade debtors	162,328	337,743
Accrued income and other debtors	13,008	3,941
	<u>175,336</u>	<u>341,684</u>

**11. Creditors: amounts falling due within one year**

	2020	2019
	£	£
Trade creditors	8,875	9,694
Amounts due to parent undertakings	21,434	30,617
Invoice discounting facility	12,822	130,691
Current taxation	27,352	17,114
Social security and other taxes	106,867	82,989
Accruals and deferred income	51,322	68,065
Other creditors	885	1,201
	<u>229,557</u>	<u>340,371</u>

The repayment terms of trade creditors vary between on demand and ninety days. Tax and social insurance are subject to the terms of the relevant legislation. Other amounts included within creditors not covered by specific note disclosures are unsecured, interest free and repayable on demand.

The bank facility is secured by a guarantee and debenture with a fixed charge over certain assets of the Company plus a floating charge over all other assets of the Company.

**12. Share capital**

	2020	2019
	£	£
<b>Allotted, called up and fully paid</b>		
5,000 A class ordinary shares of £0.001 each	<u>5</u>	<u>5</u>

The A class ordinary shares carry no right to fixed income.

**GKR London Limited****Notes to the Financial Statements (continued)****Year ended 31 December 2020****13. Directors' advances, credits and guarantees**

During the period, £20,680 (2019: £20,000 drawn down) of loans were repaid to the parent, Resourcing Capital Ventures Limited. The loan bears no interest and is repayable on the earlier of:

- i) Exit; or
- ii) Board resolution to enact repayment

Therefore, the loans have been disclosed as equity at the year-end (see note 3 for details on judgments made). No amount has been recorded as a bad debt against the loan in the year.

Shareholder loan reconciliationParent- Resourcing Capital Ventures Limited

	2020	2019
	£	£
Amounts owed to parent brought forward	20,680	40,860
Shareholder loans issued by parent	-	-
Repayment of loan to parent	(20,680)	(20,000)
Amounts owed to parent carried forward	<u>0</u>	<u>20,680</u>

**14. Related party transactions**

	2020	2019
	£	£
Amounts owed to parent brought forward	30,617	59,698
Management fees charged by parent	277,954	322,266
Cash paid by the company	(287,137)	(351,347)
Amounts owed to parent carried forward	<u>21,434</u>	<u>30,617</u>

**15. Controlling party**

Syndicated Investor Group Limited (Incorporated in Hong Kong) is regarded by the directors as being the ultimate parent company.

Resourcing Capital Ventures Limited, a company incorporated in the United Kingdom, is the smallest and largest group for which consolidated financial statements are prepared and is the Company's immediate parent. Copies of the group financial statements of Resourcing Capital Ventures Limited are available from Thomas House, 84 Eccleston Square, London, SW1V 1PX, United Kingdom. This address is the same as the registered office.

The directors do not consider there to be an ultimate controlling party.

**16. Post balance sheet subsequent events**

There have been no post balance sheet events to report since the end of the reporting period.