Company Registration No. SC204449 (Scotland)

INVERLEAF LIMITED

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

INVERLEAF LIMITED

COMPANY INFORMATION

Directors	Maqsood Ahmed Mrs Shahinah Ahmed
Company number	SC204449
Registered office	73 Dalry Road Edinburgh EH1 2AA
Accountants	Hentons 118 North Street Leeds West Yorkshire United Kingdom LS2 7PN
Business address	190 The Murrays Edinburgh EH17 8US
Bankers	The Royal Bank of Scotland plc 27 Park Row Leeds LS1 5QB

INVERLEAF LIMITED

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INVERLEAF LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their annual report and financial statements for the year ended 31 December 2016.

Principal activities
The principal activity of the company continued to be that of letting of own properties.

Directors
The directors' interests in the shares of the company were as stated below:

Maqsood Ahmed
Mrs Shahinah Ahmed

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

On behalf of the board

Maqsood Ahmed
Director
29 September 2017

INVERLEAF LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £	2016 £	2015 £	2015 £
Fixed assets					
Tangible assets	**2**		1,598,276		1,598,670
Investments	**3**		10,000		-
			1,608,276		1,598,670
Current assets					
Debtors	**4**	77,862		79,164	
Cash at bank and in hand		12,248		2,494	
		90,110		81,658	
Creditors: amounts falling due within one year	**5**	(102,107)		(83,112)	
Net current liabilities			(11,997)		(1,454)
Total assets less current liabilities			1,596,279		1,597,216
Creditors: amounts falling due after more than one year	**6**		(754,529)		(816,833)
Provisions for liabilities	**7**		(2,612)		(10,046)
Net assets			839,138		770,337
Capital and reserves					
Called up share capital	**8**		3		3
Other reserves			443,506		443,506
Profit and loss reserves			395,629		326,828
Total equity			839,138		770,337

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

INVERLEAF LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2016

For the financial year ended 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- • The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- • The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of 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 29 September 2017 and are signed on its behalf by:

Maqsood Ahmed
Director

Company Registration No. SC204449

1 Accounting policies

Company information

Inverleaf Limited is a private company limited by shares incorporated in Scotland. The registered office is 73 Dalry Road, Edinburgh, EH1 2AA.

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 a mounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover represents the rental income received, excluding value added tax, during the year.

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.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

1.3 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.

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:

Investment property	nil
Fixtures, fittings & equipment	20% 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.

1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value as the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

1 Accounting policies **(Continued)**

1.5 Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its tangible and intangible 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). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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 (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) 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 (or cash-generating unit) 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 (or cash-generating unit) 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.

1.6 Cash and cash equivalents

Cash and cash equivalents 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 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.

1 Accounting policies **(Continued)**

Basic financial assets

Basic financial assets, which include trade and other receivables 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.

A financial asset held as an equity instrument is recognised initially at the transaction price (including transaction costs).At the end of each reporting period, unlisted equity investments are recorded at fair value, where appropriate, or at cost less impairment if their fair value cannot be reliably measured. Objective evidence of the impairment of financial assets is assessed at each period end and any impairment loss recognised in the profit or loss immediately. Impairment loss is calculated as the difference between the carrying amount of the instrument and the best estimate of the cash flows expected to be derived from the asset (including sales proceeds if sold) at the balance sheet date.

Investment income is recognised in the financial statements when the company becomes entitled to its share of profits from the financial instrument."

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 publically 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.

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, including trade and other payables, 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 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.

1 Accounting policies **(Continued)**

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.

Derecognition of financial liabilities

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

1.8 Equity instruments

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

1.9 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account 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.

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1.10 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.

2 Tangible fixed assets

	Investment property	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 January 2016 and 31 December 2016	1,596,707	21,679	1,618,386
Depreciation and impairment			
At 1 January 2016	-	19,716	19,716
Depreciation charged in the year	-	394	394
At 31 December 2016	-	20,110	20,110
Carrying amount			
At 31 December 2016	1,596,707	1,569	1,598,276
At 31 December 2015	1,596,707	1,963	1,598,670

3 Fixed asset investments

	2016	2015
	£	£
Investments	10,000	-

4 Debtors

	2016	2015
Amounts falling due within one year:	£	£
Other debtors	77,862	79,164

5 Creditors: amounts falling due within one year

	2016	2015
	£	£
Bank loans and overdrafts	61,559	60,431
Corporation tax	-	1,968
Other creditors	40,548	20,713
	102,107	83,112

6 Creditors: amounts falling due after more than one year

	2016	2015
	£	£
Bank loans and overdrafts	754,529	816,833

7 Provisions for liabilities

	2016	2015
	£	£
Deferred tax liabilities	2,612	10,046
	2,612	10,046

8 Called up share capital

	2016	2015
	£	£
Ordinary share capital		
Authorised		
1,000 Ordinary shares of £1 each	1,000	1,000
Issued and fully paid		
3 Ordinary shares of £1 each	3	3

9 Financial commitments, guarantees and contingent liabilities

The company is a member of SCHIZOPHRENIA MEDICATION LLP and is liable to contribute to the assets of the LLP in the event of a winding-up before 31 January 2022. The maximum liability in relation to this undertaking is £60,819.62. The company does not believe that awinding-up of the LLP is probable and has not made provision for the liability at 31 December 2016 .

10 Parent company

There is no single ultimate controlling party. The company is under the joint control of the Ahmed family.

11 Related party transactions

At 31 December 2016, the company was owed £77,862 (2015: £79,164) from Waz Limited (a company under the control of the directors) and owed £24,808 by EPLettings Limited.

During the year the company received rents £57,200 (2015: £57,200) from EPLettings Limited (a company under the ownership of the directors).

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