

REGISTERED NUMBER: SC234591 (Scotland)

**Report of the Directors and
Financial Statements
for the Year Ended 23 December 2016
for
HFD (Managements) Limited**



HFD (Managements) Limited (Registered number: SC234591)

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for the Year Ended 23 December 2016**

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HFD (Managements) Limited

**Company Information
for the Year Ended 23 December 2016**

DIRECTORS:

W D Hill
Mrs R Hill
T D Anderson
Miss D J Hill
Miss L D Hill

REGISTERED OFFICE:

Phoenix House
Phoenix Crescent
Strathclyde Business Park
Bellshill
ML4 3NJ

REGISTERED NUMBER:

SC234591 (Scotland)

AUDITORS:

Campbell Dallas LLP
Chartered Accountants
Statutory Auditors
Titanium 1
King's Inch Place
Renfrew
PA4 8WF

**Report of the Directors
for the Year Ended 23 December 2016**

The directors present their report with the financial statements of the company for the year ended 23 December 2016.

DIRECTORS

The directors shown below have held office during the whole of the period from 24 December 2015 to the date of this report.

W D Hill
Mrs R Hill
T D Anderson
Miss D J Hill
Miss L D Hill

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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;
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Campbell Dallas LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

HFD (Managements) Limited (Registered number: SC234591)

**Report of the Directors
for the Year Ended 23 December 2016**

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

.....
W.D Hill - Director

Date: 10 June 2017

Report of the Independent Auditors to the Members of HFD (Managements) Limited

We have audited the financial statements of HFD (Managements) Limited for the year ended 23 December 2016 on pages six to thirteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 a Report of the Auditors 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.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 23 December 2016 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Report of the Independent Auditors to the Members of
HFD (Managements) Limited**

Matters on which we are required to report by exception

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; 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' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Campbell Dallas LLP

Peter Gallanagh (Senior Statutory Auditor)
for and on behalf of Campbell Dallas LLP
Chartered Accountants
Statutory Auditors
Titanium 1
King's Inch Place
Renfrew
PA4 8WF

Date: *16 June 2017*

HFD (Managements) Limited (Registered number: SC234591)**Income Statement
for the Year Ended 23 December 2016**

	Notes	2016 £	2015 £
TURNOVER		627,361	459,396
Cost of sales		<u>977,361</u>	<u>609,403</u>
GROSS LOSS		(350,000)	(150,007)
Administrative expenses		<u>5,758</u>	<u>5,430</u>
OPERATING LOSS	2	(355,758)	(155,437)
Interest receivable and similar income		<u>24</u>	<u>35</u>
		(355,734)	(155,402)
Interest payable and similar charges		<u>140</u>	<u>29</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(355,874)	(155,431)
Tax on loss on ordinary activities	3	<u>31,421</u>	<u>(31,422)</u>
LOSS FOR THE FINANCIAL YEAR		<u>(387,295)</u>	<u>(124,009)</u>

The notes form part of these financial statements

HFD (Managements) Limited (Registered number: SC234591)

**Other Comprehensive Income
for the Year Ended 23 December 2016**

	Notes	2016 £	2015 £
LOSS FOR THE YEAR		(387,295)	(124,009)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(387,295)</u>	<u>(124,009)</u>

The notes form part of these financial statements

HFD (Managements) Limited (Registered number: SC234591)**Balance Sheet
23 December 2016**

	Notes	2016 £	2015 £
FIXED ASSETS			
Investments	4	17,525,995	14,726,001
CURRENT ASSETS			
Debtors	5	326,417	2,290,353
Cash at bank		4,863	44,641
		331,280	2,334,994
CREDITORS			
Amounts falling due within one year	6	3,182,483	1,998,908
NET CURRENT (LIABILITIES)/ASSETS		(2,851,203)	336,086
TOTAL ASSETS LESS CURRENT LIABILITIES		14,674,792	15,062,087
CAPITAL AND RESERVES			
Called up share capital	7	13,922,500	13,922,500
Retained earnings	8	752,292	1,139,587
SHAREHOLDERS' FUNDS		14,674,792	15,062,087

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 16 June 2017 and were signed on its behalf by:



 W.D. Hill - Director

The notes form part of these financial statements

HFD (Managements) Limited (Registered number: SC234591)

**Statement of Changes in Equity
for the Year Ended 23 December 2016**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 24 December 2014	13,922,500	1,263,596	15,186,096
Changes in equity			
Total comprehensive income	-	(124,009)	(124,009)
Balance at 23 December 2015	13,922,500	1,139,587	15,062,087
Changes in equity			
Total comprehensive income	-	(387,295)	(387,295)
Balance at 23 December 2016	13,922,500	752,292	14,674,792

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 23 December 2016**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

The company has transitioned to FRS 102 from previously extant UK GAAP as at 24 December 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

Deferred tax

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 or a right to pay less tax in the future have occurred by the balance sheet date with certain limited expectations.

Deferred tax is calculated on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Consolidation

The financial statements contain information about HFD (Managements) Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt from the requirement to prepare consolidated financial statements as it is part of a larger group which prepares consolidated financial statements.

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.

Investments

Investments are included at cost less amounts written off. Profits or losses arising from disposals of fixed asset investments are treated as part of the result from ordinary activities.

**Notes to the Financial Statements - continued
for the Year Ended 23 December 2016**

2. OPERATING LOSS

The operating loss is stated after charging:

	2016	2015
	£	£
Auditors' remuneration	<u>5,670</u>	<u>2,800</u>
Directors' remuneration and other benefits etc	<u>-</u>	<u>-</u>

3. TAXATION

Analysis of the tax charge/(credit)

The tax charge/(credit) on the loss on ordinary activities for the year was as follows:

	2016	2015
	£	£
Current tax:		
UK corporation tax	-	(31,422)
Prior period	<u>31,421</u>	<u>-</u>
Tax on loss on ordinary activities	<u>31,421</u>	<u>(31,422)</u>

4. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 24 December 2015	14,726,001
Additions	<u>2,799,994</u>
At 23 December 2016	<u>17,525,995</u>
NET BOOK VALUE	
At 23 December 2016	<u>17,525,995</u>
At 23 December 2015	<u>14,726,001</u>

HFD (Managements) Limited (Registered number: SC234591)

Notes to the Financial Statements - continued for the Year Ended 23 December 2016

4. FIXED ASSET INVESTMENTS - continued

The company's investments at the Balance Sheet date in the share capital of companies include the following:

HFD Property Management Services Limited

Nature of business: Property Management

	%
Class of shares:	holding
Ordinary	100.00

This company was acquired during the previous year from HFD Group Limited as part of a group restructuring.

Datavita Limited

Nature of business: Data management facilities

	%
Class of shares:	holding
Ordinary	100.00

Facilities Maintenance Services (Scotland) Limited

Nature of business: Facilities maintenance

	%
Class of shares:	holding
Ordinary	100.00

HFD Landscaping Limited

Nature of business: Landscaping services

	%
Class of shares:	holding
Ordinary	100.00

HFD Security Limited

Nature of business: Security services

	%
Class of shares:	holding
Ordinary	100.00

HFD Intelligent Technologies Limited

Nature of business: IT services

	%
Class of shares:	holding
Ordinary	100.00

On 12 February 2016 the company acquired a 100% interest in Facilities Maintenance Services (Scotland) Limited, HFD Landscaping Limited, HFD Security Limited and HFD Intelligent Technologies Limited from HFD Construction Group Limited, a fellow group subsidiary, as part of a group reconstruction.

HFD (Managements) Limited (Registered number: SC234591)**Notes to the Financial Statements - continued
for the Year Ended 23 December 2016****5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2016	2015
	£	£
Other debtors	326,417	2,290,353

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Other creditors	3,182,483	1,998,908

7. CALLED UP SHARE CAPITAL

Allotted and issued:			2016	2015
Number:	Class:	Nominal value:	£	£
13,922,500	Ordinary	£1	13,922,500	13,922,500

8. RESERVES

	Retained earnings £
At 24 December 2015	1,139,587
Deficit for the year	(387,295)
At 23 December 2016	752,292

9. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

At the year end the company owed £nil (2015: £367,522) to HFD Management Services LLP. The company made purchases of £977,361 (2015: £609,403) from HFD Management Services LLP in the period. The company made sales of £10,351 (2015: £41,400) to HFD Avondale House Limited. W D Hill, a company director, has an interest in these businesses.

10. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company's ultimate parent undertaking is HFD Group Limited which is the smallest and largest group of companies for which group financial statements are prepared. Copies of the group financial statements are available to the public from Companies House, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF. W D Hill is considered to be the ultimate controlling party due to his majority shareholding in HFD Group Limited.