Company Registration No. SC463540 (Scotland)

# WEST SANDS ADVISORY LIMITED

## UNAUDITED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2016

## PAGES FOR FILING WITH REGISTRAR

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# WEST SANDS ADVISORY LIMITED

## COMPANY INFORMATION

| | |
|---|---|
| **Directors** | Tamara Makarenko<br>Daphne Biliouri |
| **Company number** | SC463540 |
| **Registered office** | Chestney House<br>149 Market Street<br>St. Andrews<br>Fife<br>KY16 9PF |
| **Accountants** | Henderson Black & Co<br>Chestney House<br>149 Market Street<br>St. Andrews<br>Fife<br>KY16 9PF |
| **Business address** | Units 1-3 Bassaguard Business Park<br>Wallace Street<br>St. Andrews<br>Fife<br>KY16 8AL |

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# WEST SANDS ADVISORY LIMITED

## BALANCE SHEET

### *AS AT 31 DECEMBER 2016*

| | Notes | 2016 £ | £ | 2015 £ | £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Intangible assets | | | 192,425 | | 295,625 |
| Tangible assets | 4 | | 105,820 | | 116,885 |
| Investments | 5 | | 1 | | 1 |
| | | | 298,246 | | 412,511 |
| **Current assets** | | | | | |
| Debtors | 6 | 230,000 | | 161,725 | |
| Cash at bank and in hand | | 117,651 | | 183,475 | |
| | | 347,651 | | 345,200 | |
| **Creditors: amounts falling due within one year** | 7 | (502,302) | | (527,552) | |
| **Net current liabilities** | | | (154,651) | | (182,352) |
| **Total assets less current liabilities** | | | 143,595 | | 230,159 |
| **Creditors: amounts falling due after more than one year** | 8 | | (22,600) | | (35,400) |
| **Provisions for liabilities** | | | (15,364) | | (16,645) |
| **Net assets** | | | 105,631 | | 178,114 |
| **Capital and reserves** | | | | | |
| Called up share capital | 9 | | 200 | | 200 |
| Profit and loss reserves | | | 105,431 | | 177,914 |
| **Total equity** | | | 105,631 | | 178,114 |

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

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

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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.

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

# WEST SANDS ADVISORY LIMITED

## BALANCE SHEET (CONTINUED)

### *AS AT 31 DECEMBER 2016*

The financial statements were approved by the board of directors and authorised for issue on 12 September 2017 and are signed on its behalf by:

Tamara Makarenko
**Director**

Daphne Bilkouri
**Director**

**Company Registration No. SC463540**

## 1 Accounting policies

**Company information**

West Sands Advisory Limited is a private company limited by shares incorporated in Scotland. The registered office is Chestney House, 149 Market Street, St. Andrews, Fife, KY16 9PF.

### 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.

These financial statements for the year ended 31 December 2016 are the first financial statements of West Sands Advisory Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

### 1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and discounts.

Fee income represents revenue earned under a wide variety of contracts to provide professional services. Revenue is recognised as earned when, and to the extent, the company obtains the right to consideration in exchange for its performance under these contracts. Its is measured at the fair value of the right to consideration, which represents amounts chargeable to clients, including expenses and disbursements but excluding value added tax.

Revenue is generally recognised as contract activity progresses so that for incomplete contracts it reflects the partial performance of the contractual obligations. For such contracts the amount of revenue reflects the accrual of the right to consideration by reference to the value of work performed. Revenue not billed to clients is included in debtors and payments on account in excess of the relevant amount of revenue are included in creditors.

Fee income that is contingent on events outside the control of the company is recognised when the contingent event occurs.

### 1.3 Intangible fixed assets - goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 5 years.

### 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.

**1 Accounting policies** **(Continued)**

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

| | |
|---|---|
| Land and buildings | 10% straight line |
| Plant and machinery | 25% reducing balance |
| Fixtures, fittings & equipment | 25% reducing balance |
| Computer equipment | 25% reducing balance |

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

**1.5 Fixed asset investments**

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

**1.6 *Impairment of fixed assets***

At each reporting period 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.

**1.7 Cash at bank and in hand**

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

**1.8 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.

**1 Accounting policies** **(Continued)**

***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.

***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.

**1.9 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.

**1.10 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.

**1 Accounting policies** **(Continued)**

***Deferred tax***

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

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

**1.11 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.

**1.12 Retirement benefits**

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

**1.13 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to income 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 lease asset are consumed.

**1.14 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.

**1.15 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 are included in the profit and loss account for the period.

**2 Employees**

The average monthly number of persons (including directors) employed by the company during the year was 10 (2015 - 10).

### 3 Intangible fixed assets

| | Goodwill £ |
|---|---|
| **Cost** | |
| At 1 January 2016 and 31 December 2016 | 516,000 |
| **Amortisation and impairment** | |
| At 1 January 2016 | 220,375 |
| Amortisation charged for the year | 103,200 |
| At 31 December 2016 | 323,575 |
| **Carrying amount** | |
| At 31 December 2016 | 192,425 |
| At 31 December 2015 | 295,625 |

### 4 Tangible fixed assets

| | Land and buildings £ | Plant and machinery etc £ | Total £ |
|---|---|---|---|
| **Cost** | | | |
| At 1 January 2016 | 91,078 | 47,925 | 139,003 |
| Additions | 295 | 3,041 | 3,336 |
| At 31 December 2016 | 91,373 | 50,966 | 142,339 |
| **Depreciation and impairment** | | | |
| At 1 January 2016 | 10,626 | 11,492 | 22,118 |
| Depreciation charged in the year | 9,109 | 5,292 | 14,401 |
| At 31 December 2016 | 19,735 | 16,784 | 36,519 |
| **Carrying amount** | | | |
| At 31 December 2016 | 71,638 | 34,182 | 105,820 |
| At 31 December 2015 | 80,452 | 36,433 | 116,885 |

### 5 Fixed asset investments

| | 2016 £ | 2015 £ |
|---|---|---|
| Investments | 1 | 1 |

The value of investments has been valued on cost.

## 6 Debtors

| | 2016 | 2015 |
|---|---|---|
| **Amounts falling due within one year:** | £ | £ |
| Trade debtors | 114,235 | 74,087 |
| Amounts due from group undertakings | 20,000 | 20,000 |
| Other debtors | 95,765 | 67,638 |
| | 230,000 | 161,725 |

## 7 Creditors: amounts falling due within one year

| | 2016 | 2015 |
|---|---|---|
| | £ | £ |
| Bank loans and overdrafts | 12,000 | 12,000 |
| Trade creditors | 38,409 | 17,743 |
| Corporation tax | 3,443 | 5,429 |
| Other taxation and social security | 15,416 | 44,770 |
| Other creditors | 433,034 | 447,610 |
| | 502,302 | 527,552 |

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

| | 2016 | 2015 |
|---|---|---|
| | £ | £ |
| Bank loans and overdrafts | 21,000 | 33,000 |
| Other creditors | 1,600 | 2,400 |
| | 22,600 | 35,400 |

The bank loan is secured by floating charge over all the assets of the company. The loan bears interest at a fixed rate of 4.67% and is repayable over 5 years.

## 9 Called up share capital

| | 2016 | 2015 |
|---|---|---|
| | £ | £ |
| **Ordinary share capital** | | |
| **Issued and fully paid** | | |
| 200 ordinary shares of £1 each | 200 | 200 |
| | 200 | 200 |

## 10 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:

| | 2016 | 2015 |
|---|---|---|
| | £ | £ |
| | 179,928 | 201,918 |

## 11 Related party transactions

At the balance sheet date the company was due £20,000 (2015 - £20,000) from SG Analysis Limited, a wholly owned subsidiary company. Tamara Makarenko, Daphne Biliouri and Hannah Markham are all directors of SG Analysis Limited. The loan is interest free and has no fixed term of repayment.

During the year Tamara Makarenko, a director, advanced a loan to the company of £28,533 (2015 - £25,760) and was repaid £37,751 (2015 - £79,033) in the year. The balance due to Tamara Makarenko at the balance sheet date of £193,199 (2015 - £202,417) is shown in other creditors. The loan is interest free and has no fixed terms of repayment.

During the year Daphne Biliouri, a director, advanced a loan to the company of £24,577 (2015 - £22,189) and was repaid £28,080 (2015 - £65,376) in the year. The balance due to Daphne Biliouri at the balance sheet date of £189,910 (2015 - £193,413) is shown in other creditors. The loan is interest free and has no fixed terms of repayment.

During the year Hannah Markham, a shareholder and civil partner to Tamara Makarenko, advanced a loan to the company of £3,390 (2015 - £3,061) and was repaid £nil (2015 - £276) in the year. The balance due to Hannah Markham at the balance sheet date of £35,798 (2015 - £32,408) is shown in other creditors. The loan is interest free and has no fixed terms of repayment.

## 12 Directors' transactions

Dividends totalling £53,110 (2015 - £47,949) were paid in the year in respect of shares held by the company's directors.

## 13 Controlling party

The company is considered to be controlled by Tamara Makarenko, director.