

COMPANY REGISTRATION NUMBER: SC522697

HB Scotland Ltd

Filleted Unaudited Financial Statements

31 July 2017

HB Scotland Ltd
Financial Statements

Year ended 31 July 2017

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The following pages do not form part of the financial statements

Chartered accountants report to the board of directors on the preparation of the unaudited statutory financial statements

HB Scotland Ltd

Statement of Financial Position

31 July 2017

		2017	2016
	Note	£	£
Fixed assets			
Intangible assets	5	110,244	140,311
Tangible assets	6	2,025	—
		-----	-----
		112,269	140,311
Current assets			
Stocks		29,398	16,952
Debtors	7	17,744	24,479
Cash at bank and in hand		121,838	271,832
		-----	-----
		168,980	313,263
Creditors: amounts falling due within one year	8	68,035	40,061
		-----	-----
Net current assets		100,945	273,202
		-----	-----
Total assets less current liabilities		213,214	413,513
Creditors: amounts falling due after more than one year	9	100,000	132,500
		-----	-----
Net assets		113,214	281,013
		-----	-----
Capital and reserves			
Called up share capital		333,333	333,333
Profit and loss account		(220,119)	(52,320)
		-----	-----
Shareholders funds		113,214	281,013
		-----	-----

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

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

For the year ending 31 July 2017 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 .

HB Scotland Ltd

Statement of Financial Position *(continued)*

31 July 2017

These financial statements were approved by the board of directors and authorised for issue on 23 April 2018 , and are signed on behalf of the board by:

Mr RR Murray

Director

Company registration number: SC522697

HB Scotland Ltd

Statement of Changes in Equity

Year ended 31 July 2017

	Called up share capital	Profit and loss account	Total
	£	£	£
At 16 December 2015	—	—	—
Loss for the year		(52,320)	(52,320)
	----	-----	-----
Total comprehensive income for the year	—	(52,320)	(52,320)
Issue of shares	333,333	—	333,333
	-----	-----	-----
Total investments by and distributions to owners	333,333	—	333,333
At 31 July 2016	333,333	(52,320)	281,013
Loss for the year		(167,799)	(167,799)
	-----	-----	-----
Total comprehensive income for the year	—	(167,799)	(167,799)
	-----	-----	-----
At 31 July 2017	333,333	(220,119)	113,214
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HB Scotland Ltd

Notes to the Financial Statements

Year ended 31 July 2017

1. General information

The company is a private company limited by shares, registered in Scotland'. The address of the registered office is Forbes House, 36 Huntly Street, Inverness, IV3 5PR, United Kingdom.

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, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

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

Going concern

The financial statements were prepared on a going concern basis. The company has started to generate sales but has incurred significant losses to date. The company is expected to continue to generate positive cash flows on its own account for the foreseeable future. The directors, have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the company to continue as a going concern. On the basis of their assessment of the company's financial position, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 16 December 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 11.

Revenue recognition

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 from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill - 20% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Equipment - 25% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost.

Defined 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. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 4 (2016: 1).

5. Intangible assets

	Goodwill
	£
Cost	
At 1 August 2016 and 31 July 2017	150,333

Amortisation	
At 1 August 2016	10,022
Charge for the year	30,067

At 31 July 2017	40,089

Carrying amount	
At 31 July 2017	110,244

At 31 July 2016	140,311

6. Tangible assets

	Equipment £	Total £
Cost		
At 1 August 2016	—	—
Additions	2,203	2,203
	-----	-----
At 31 July 2017	2,203	2,203
	-----	-----
Depreciation		
At 1 August 2016	—	—
Charge for the year	178	178
	-----	-----
At 31 July 2017	178	178
	-----	-----
Carrying amount		
At 31 July 2017	2,025	2,025
	-----	-----
At 31 July 2016	—	—
	-----	-----

7. Debtors

	2017 £	2016 £
Trade debtors	5,140	14,608
Other debtors	12,604	9,871
	-----	-----
	17,744	24,479
	-----	-----

8. Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	20,250	8,136
Social security and other taxes	3,195	167
Other creditors	44,590	31,758
	-----	-----
	68,035	40,061
	-----	-----

9. Creditors: amounts falling due after more than one year

	2017 £	2016 £
Amounts owed to group undertakings and undertakings in which the company has a participating interest	40,000	40,000
Other creditors	60,000	92,500
	-----	-----
	100,000	132,500
	-----	-----

Included within creditors: amounts falling due after more than one year is an amount of £33,000 (2016: £66,000) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

The loans are unsecured and interest is charged at 4%.

10. Related party transactions

During the year four of the directors' received remuneration amounting to £61,941 (2016: £3,333 received by one director). During the year, a company in which two of the directors are also directors, invoiced HB Scotland Ltd £1,210 (2016: £462) for computer costs. Included in trade creditors at 31 July 2017 is £658 (2016: £218) due to this company. During the year, a company in which one of the directors' is also a director , invoiced HB Scotland Ltd £ 25,957 (2016: £10,000) for consultancy fees, and £3,718 (2016: £1,429) for other costs . Included in trade creditors at 31 July 2017 is £ 7,617 (2016: £nil) due to this company. During the year, a company in with three directors in common , invoiced the company £12,844 (2016: £4,388) for administration charges, £16,000 (2016: £nil) for consultancy fees and £1,210 for computer costs paid on their behalf . Included in accruals is £nil (2016: £12,000) for directors charges at 31 July 2017. Included in trade creditors at 31 July 2017 is £ 573 (2016: £1,170) due to this company. During the year, a company in which one of the directors' is also a director, invoiced HB Scotland Ltd £2,370 (2016: £9,481) for administration charges. Included in trade creditors at 31 July 2017 is £nil (2016: £2,844) due to this company. During the year, HB Scotland Ltd invoiced this company £2,094 (2016: £nil) for administration charges. During the year, HB Scotland Ltd invoiced a company, in which four of the directors are also directors , £ 3,141 (2016: £nil) for administration charges and £108 (2016: £nil) for delivery charges. During the year HB Scotland Ltd made purchases £24,098 (2016: £nil) for administration charges and £53 (2016: £nil) for other costs from this company. Included in trade creditors at 31 July 2017 is £ 64 (2016: £nil) due to this company. During 2016 three of the directors made loans to the company amounting to £60,000. These loans are unsecured and charge interest at 4%, the interest accrued for the year amounted to £921 (2016: £921). At 31 July 2017 the loan outstanding was £ 60,000 . During 2016 a company in which three of the directors are also directors made a loan to the company amounting to £40,000. This loan is unsecured and charges interest at 4%. Interest accrued for the year amounted to £nil (2016: £614).

11. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 16 December 2015.

No transitional adjustments were required in equity or profit or loss for the period.

HB Scotland Ltd

Management Information

Year ended 31 July 2017

The following pages do not form part of the financial statements.

HB Scotland Ltd

Chartered Accountants Report to the Board of Directors on the Preparation of the Unaudited Statutory Financial Statements of HB Scotland Ltd

Year ended 31 July 2017

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of HB Scotland Ltd for the year ended 31 July 2017, as set out on pages 1 to 8 from the company's accounting records and from information and explanations you have given us. As a practising member firm of ICAS, we are subject to its ethical and other professional requirements which are detailed at www.icas.com/accountspreparationguidance. This report is made solely to the Board of Directors of HB Scotland Ltd, as a body, in accordance with the terms of our engagement letter dated 10 February 2017. Our work has been undertaken solely to prepare for your approval the financial statements of HB Scotland Ltd and state those matters that we have agreed to state to you, as a body, in this report in accordance with the requirements of ICAS as detailed at www.icas.com/accountspreparationguidance. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than HB Scotland Ltd and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that HB Scotland Ltd has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of HB Scotland Ltd. You consider that HB Scotland Ltd is exempt from the statutory audit requirement for the year. We have not been instructed to carry out an audit or a review of the financial statements of HB Scotland Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

RITSONS Chartered Accountants

Forbes House 36 Huntly Street Inverness IV3 5PR

23 April 2018

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.