

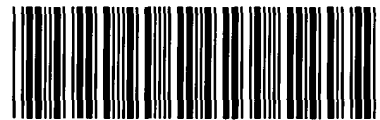
Registration number: 05376013

Hotbed Group Limited

Annual Report and Financial Statements

for the Year Ended 31 July 2016

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COMPANIES HOUSE

Paul A Hill & Co
Chartered Accountants
3 Bull Lane
ST IVES
Cambridgeshire
PE27 5AX

Hotbed Group Limited

Contents

Directors' Report	1 to 2
Independent Auditor's Report	3 to 4
Profit and Loss Account	5
Balance Sheet	6
Notes to the Financial Statements	7 to 10

Hotbed Group Limited

Directors' Report for the Year Ended 31 July 2016

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

Directors of the company

The directors who held office during the year were as follows:

P Hawkes

M Lauber

A Brode

Principal activity

The principal activity of the company is that of a holding company.

Business review

Further progress continues to be made with the realisation of amounts due to the Group. The amounts and dates of further realisations are uncertain.

In January 2016, a repurchase of 2,018,461 Preference shares of £1 each was authorised and completed, and these shares were cancelled.

Directors' responsibilities

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 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 apply them consistently;
- make judgements 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.

Disclosure of information to the auditor

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditor is unaware of.

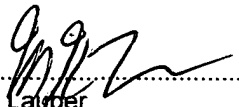
Hotbed Group Limited
Directors' Report for the Year Ended 31 July 2016

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Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 14 October 2016 and signed on its behalf by:


.....
M Lauber
Director

Independent Auditor's Report to the Members of Hotbed Group Limited

We have audited the financial statements of Hotbed Group Limited for the year ended 31 July 2016, set out on pages 5 to 10. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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.

Respective responsibilities of directors and auditor

As explained more fully in the (set out on page), 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 (APB'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 Annual Report and Financial Statements 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 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 July 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities; 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Independent Auditor's Report to the Members of
Hotbed Group Limited**

..... continued

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 in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.


.....
Mrs K Clayden (Senior Statutory Auditor)
For and on behalf of Paul A Hill & Co, Statutory Auditor

3 Bull Lane
ST IVES
Cambridgeshire
PE27 5AX

14 October 2016

Hotbed Group Limited
Profit and Loss Account for the Year Ended 31 July 2016

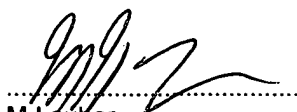
	Note	2016 £	2015 £
Turnover		-	-
Administrative expenses		<u>(27,390)</u>	<u>(32,538)</u>
Operating loss		(27,390)	(32,538)
Interest payable and similar charges		<u>-</u>	<u>(10,416)</u>
Loss on ordinary activities before taxation		<u>(27,390)</u>	<u>(42,954)</u>
Loss for the financial year	7	<u><u>(27,390)</u></u>	<u><u>(42,954)</u></u>

Hotbed Group Limited
(Registration number: 05376013)
Balance Sheet at 31 July 2016

	Note	2016 £	2015 £
Fixed assets			
Investments	3	<u>74,091</u>	<u>74,091</u>
Current assets			
Debtors	4	45,257	601,767
Cash at bank and in hand		<u>435,629</u>	<u>108,354</u>
		480,886	710,121
Creditors: Amounts falling due within one year	5	<u>(681)</u>	<u>(680)</u>
Net current assets		<u>480,205</u>	<u>709,441</u>
Net assets		<u>554,296</u>	<u>783,532</u>
Capital and reserves			
Called up share capital	6	2,801,778	4,820,239
Share premium account	7	3,195,884	1,379,269
Capital redemption reserve	7	514,955	514,955
Profit and loss account	7	<u>(5,958,321)</u>	<u>(5,930,931)</u>
Shareholders' funds		<u>554,296</u>	<u>783,532</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective 2015).

Approved and authorised for issue by the Board on 14 October 2016 and signed on its behalf by:



 M Lauber
 Director

Hotbed Group Limited
Notes to the Financial Statements for the Year Ended 31 July 2016

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Exemption from preparing group accounts

The company is part of a small group. The company has taken advantage of the exemption provided by Section 398 of the Companies Act 2006 and has not prepared group accounts.

Turnover

Turnover represents the fair value of consideration receivable by the company in respect of services provided to subsidiary companies, less value added tax.

Fixed asset investments

Investments held as fixed assets are stated at cost less any provision for impairment.

Deferred tax

The charge for taxation is based on the profit for the year and takes into account taxation deferred.

Current tax is measured at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as 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. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

2 Directors' remuneration

The directors' remuneration for the year was as follows:

	2016 £	2015 £
Remuneration	<u>18,000</u>	<u>18,312</u>

Hotbed Group Limited
Notes to the Financial Statements for the Year Ended 31 July 2016
..... *continued*

3 Investments held as fixed assets

	2016 £	2015 £
Shares in group undertakings and participating interests	<u>74,091</u>	<u>74,091</u>
Shares in group undertakings and participating interests		
	Subsidiary undertaking s £	Total £
Cost		
At 1 August 2015	<u>2,365,909</u>	<u>2,365,909</u>
At 31 July 2016	2,365,909	2,365,909
Provision for impairment		
At 1 August 2015	<u>2,291,818</u>	<u>2,291,818</u>
Net book value		
At 31 July 2016	<u>74,091</u>	<u>74,091</u>
At 31 July 2015	<u>74,091</u>	<u>74,091</u>

Hotbed Group Limited

Notes to the Financial Statements for the Year Ended 31 July 2016

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Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	Principal activity
Subsidiary undertakings				
HL2012 Limited		Ordinary & Preference	100%	Corporate Finance
HONL2012 Limited		Ordinary	100%	Investments in unlisted companies

The profit for the financial period of HL2012 Limited was £1,330,592 which includes a dividend of £1,067,618 from the subsidiary HONL2012 Limited which flattened the intercompany position. The aggregate amount of capital and reserves at the end of the period was £479,235.

4 Debtors

	2016 £	2015 £
Amounts owed by group undertakings and undertakings in which the company has a participating interest	34,228	588,976
Other debtors	11,029	12,791
	<u>45,257</u>	<u>601,767</u>

5 Creditors: Amounts falling due within one year

	2016 £	2015 £
Other taxes and social security	675	675
Other creditors	6	5
	<u>681</u>	<u>680</u>

Hotbed Group Limited

Notes to the Financial Statements for the Year Ended 31 July 2016

..... *continued*

6 Share capital

Allotted, called up and fully paid shares

	2016		2015	
	No.	£	No.	£
Ordinary shares of £1 each	27,499	27,499	27,499	27,499
Preference shares of £1 each	2,774,279	2,774,279	4,792,740	4,792,740
	<u>2,801,778</u>	<u>2,801,778</u>	<u>4,820,239</u>	<u>4,820,239</u>

7 Reserves

	Share premium account £	Capital redemption reserve £	Profit and loss account £	Total £
At 1 August 2015	1,379,269	514,955	(5,930,931)	(4,036,707)
Loss for the year	-	-	(27,390)	(27,390)
Purchase of own shares	<u>1,816,615</u>	<u>-</u>	<u>-</u>	<u>1,816,615</u>
At 31 July 2016	<u>3,195,884</u>	<u>514,955</u>	<u>(5,958,321)</u>	<u>(2,247,482)</u>

8 Related party transactions

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the group.

9 Control

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