

HVL Edinburgh Limited

Report and Financial Statements

Year Ended

31 December 2017

Company Number 05434082

WEDNESDAY



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HVL Edinburgh Limited

Report and financial statements for the year ended 31 December 2017

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Director

Mr P Jacobs

Secretary and registered office

Mr P Jacobs, Philip Harris House, 1A Spur Road, Orpington, Kent, BR6 0PH

Company number

05434082

Auditors

BDO LLP, 2 City Place, Beehive Ring Road, Gatwick, West Sussex, RH6 0PA

HVL Edinburgh Limited

Director's report for the year ended 31 December 2017

The director presents his report together with the audited financial statements for the year ended 31 December 2017.

Results and dividends

The statement of income and retained earnings is set out on page 6 and shows the loss for the year (2016 - profit). No dividends were paid in the year (2016 - £Nil) and the director does not recommend the payment of a final dividend (2016 - £Nil).

Principal activities, review of business and future developments

The company's principal activity is the provision of consultancy and management services and of investment, which the director does not believe will change in the near future.

Directors

The directors of the company during the year were:

Mr P J Saunders (resigned 31 May 2017)
Mr P Jacobs

No director has any interest in the shares of any of the wider group companies.

Director's responsibilities

The director is responsible for preparing the director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

HVL Edinburgh Limited

Director's report for the year ended 31 December 2017 (*continued*)

Auditors

The current director has taken all the steps that he ought to have taken to make himself aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The director is not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

In preparing this director's report, advantage has been taken of the small companies' exemption.

By order of the Board



**P Jacobs
Secretary**

Date 23 July 2018

HVL Edinburgh Limited

Independent auditor's report

TO MEMBERS OF HVL EDINBURGH LIMITED

Opinion

We have audited the financial statements of HVL Edinburgh Limited ("the Company") for the year ended 31 December 2017 which comprise the statement of income and retained earnings, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

HVL Edinburgh Limited

Independent auditor's report (*continued*)

Other information

The Director is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the director's report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the director's report.

We have nothing to report in respect of the following matters in relation to which 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 Director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the director's report and from the requirement to prepare a strategic report.

Responsibilities of Directors

As explained more fully in the director's report, the Director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Director is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Director either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

HVL Edinburgh Limited

Independent auditor's report (*continued*)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.

BDO LLP

*Anna Draper (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
Gatwick
United Kingdom*

Date 23 July 2018

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

HVL Edinburgh Limited

Statement of income and retained earnings for the year ended 31 December 2017

	Note	2017 £	2016 £
Share of profit in associated undertaking excluding revaluation of investment property		181,057	156,663
Share of revaluation of investment property		(250,254)	-
(Loss)/profit on ordinary activities before taxation	3	(69,197)	156,663
Taxation on (loss)/profit on ordinary activities		-	-
(Loss)/profit for the financial year		(69,197)	156,663
Retained earnings			
At 1 January		(870,255)	(1,026,918)
At 31 December		(939,452)	(870,255)

The notes on pages 9 and 10 form part of these financial statements.

HVL Edinburgh Limited

Balance sheet at 31 December 2017

Company number 05434082	Note	2017 £	2017 £	2016 £	2016 £
Creditors: amounts falling due within one year	5	2,507,772		2,386,272	
Provisions	4	2,773,646		2,825,949	
Net current liabilities			(5,281,418)		(5,212,221)
Total assets less current liabilities			(5,281,418)		(5,281,418)
Creditors: amounts falling due after more than one year			-		-
Net liabilities			(5,281,418)		(5,212,221)
Capital and reserves					
Called up share capital	6		1		1
Revaluation reserve			(4,341,967)		(4,341,967)
Profit and loss account			(939,452)		(870,255)
			(5,281,418)		(5,212,221)

These financial statements have been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Director and authorised for issue on 23 July 2018.



P Jacobs
Director

The notes on pages 9 and 10 form part of these financial statements.

HVL Edinburgh Limited

Statement of cash flows for the year ended 31 December 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
(Loss)/Profit for the financial year		(69,197)	156,663
<i>Adjustments for:</i>			
Increase/(decrease) in creditors	4/5	69,197	(156,663)
Net cash from operating activities		-	-
Net increase in cash and cash equivalents		-	-
Cash and cash equivalents at beginning of year		-	-
Cash and cash equivalents at end of year		-	-

The notes on pages 9 and 10 form part of these financial statements.

HVL Edinburgh Limited

Notes forming part of the financial statements for the year ended 31 December 2017

1 Accounting policies

HVL Edinburgh Limited is a private company limited by shares and incorporated in England & Wales under the Companies Act. The address of the registered office is given on the contents page and the nature of the company's operations and its principal activities are set out in the director's report. The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies, as detailed in note 2. The following principal accounting policies have been applied:

Limited Liability Partnerships

Where the company has an interest in a limited liability partnership, the company's share of the limited liability partnership's net profit or loss is accounted for using the equity method. Its share of profit or loss following acquisition is taken to the profit and loss account with a corresponding increase in the investment. Tax arising on the share of the limited liability partnership's profits is borne directly by the members and is therefore not accounted for in the company.

Basis of preparation

The financial statements have been prepared on a going concern basis. In considering the appropriateness of the going concern assumption, the director has taken into consideration the company's cash flow forecasts and the company's present level of funding. The shareholders have indicated that they will not withdraw the existing financial support to the company for at least a year from the date of approval of these financial statements. The director is therefore confident that there is sufficient working capital and considers that adequate longer term funding will remain in place and consequently the company will continue as a going concern. No adjustments have been made to the carrying value of both assets and liabilities, that might be required should the going concern basis be inappropriate.

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

2 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the members have made the following judgements:

- Determine whether there are indicators of impairment of the investment properties. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset, including assessment of the economic environment and location of the premises.

Other key sources of estimation uncertainty

Investment properties

Investment properties are valued annually using a yield methodology. This uses market rental values capitalised at a market capitalisation rate but there is an inevitable degree of judgement involved in that each property is unique and value can only ultimately be reliably tested in the market itself. Key inputs into the valuations were:

- Annual rent per square foot: £8.00 to £33.00
- Yield rate: 8.5% - 9.0%

HVL Edinburgh Limited

Notes forming part of the financial statements
for the year ended 31 December 2017 (*continued*)

3 Operating loss/profit

The auditors' remuneration is borne by the parent company, Harris Ventures Limited.

4 Investments and provisions

	Interest in LLP £
At 1 January 2017	(2,825,949)
Share of profit for the year	181,057
Revaluation	(250,254)
Capital introduced	121,500
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Market value at 31 December 2017	(2,773,646)
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5 Creditors: amounts falling due within one year

	2017 £	2016 £
Amounts owed to associated undertakings	2,507,772	2,386,272
	<hr/>	<hr/>

6 Share capital

	2017 £	2016 £
<i>Allotted, called up and fully paid</i>		
1 Ordinary shares of £1 (2016 - 1 ordinary shares of £1)	1	1
	<hr/>	<hr/>

Reserves

The company's capital and reserves are as follows:

Share Capital

Called up share capital represents the nominal value of the shares issued.

Profit and loss account

The profit and loss account represents cumulative profits or losses net of dividends paid and other adjustments.

7 Controlling parties

The company is under the control of Lord Harris of Peckham by virtue of his beneficial interest in the share capital.