

Registration number: SC455437

High-Speed Universal Broadband Services C.I.C.

Annual Report and Unaudited Financial Statements

for the Year Ended 30 September 2019



GM Accounting Limited
Association of Chartered Certified Accountants
41 Kilmaurs Road
Edinburgh
EH16 5DB

High-Speed Universal Broadband Services C.I.C.

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High-Speed Universal Broadband Services C.I.C.

(Registration number: SC455437)
Balance Sheet as at 30 September 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	4	4,100	2,635
Current assets			
Stocks	5	-	2,648
Debtors	6	4,130	12,646
Cash at bank and in hand		16,689	11,350
		20,819	26,644
Creditors: Amounts falling due within one year	7	(10,737)	(8,320)
Net current assets		10,082	18,324
Total assets less current liabilities		14,182	20,959
Provisions for liabilities		(779)	(751)
Net assets		13,403	20,208
Capital and reserves			
Profit and loss account		13,403	20,208
Total equity		13,403	20,208

For the financial year ending 30 September 2019 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 accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

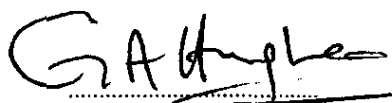
These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 2 March 2020 and signed on its behalf by:

The notes on pages 3 to 7 form an integral part of these financial statements.

High-Speed Universal Broadband Services C.I.C.

(Registration number: SC455437)
Balance Sheet as at 30 September 2019

A handwritten signature in black ink, appearing to read 'G.A. Hughes', with a horizontal line drawn underneath it.

Professor Gordon Alexander Hughes
Company secretary and director

High-Speed Universal Broadband Services C.I.C.

Notes to the Unaudited Financial Statements for the Year Ended 30 September 2019

1 General information

The company is a private company limited by share capital, incorporated in Scotland.

The address of its registered office is:

Highfield
Stobo
Peebles
Scottish Borders
EH45 8NX
Scotland

These financial statements were authorised for issue by the Board on 2 March 2020.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the *accounting policies certain items are shown at fair value*.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a *change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income*.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

High-Speed Universal Broadband Services C.I.C.

Notes to the Unaudited Financial Statements for the Year Ended 30 September 2019

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	33.33% Reducing balance

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

High-Speed Universal Broadband Services C.I.C.

Notes to the Unaudited Financial Statements for the Year Ended 30 September 2019

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 1 (2018 - 1).

High-Speed Universal Broadband Services C.I.C.

Notes to the Unaudited Financial Statements for the Year Ended 30 September 2019

4 Tangible assets

	Other tangible assets £	Total £
Cost or valuation		
At 1 October 2018	3,953	3,953
Additions	<u>3,512</u>	<u>3,512</u>
At 30 September 2019	<u>7,465</u>	<u>7,465</u>
Depreciation		
At 1 October 2018	1,318	1,318
Charge for the year	<u>2,047</u>	<u>2,047</u>
At 30 September 2019	<u>3,365</u>	<u>3,365</u>
Carrying amount		
At 30 September 2019	<u>4,100</u>	<u>4,100</u>
At 30 September 2018	<u>2,635</u>	<u>2,635</u>

5 Stocks

	2019 £	2018 £
Other inventories	<u>-</u>	<u>2,648</u>

6 Debtors

	2019 £	2018 £
Trade debtors	-	10,950
Prepayments	572	1,696
Other debtors	<u>3,558</u>	<u>-</u>
	<u>4,130</u>	<u>12,646</u>

7 Creditors

Creditors: amounts falling due within one year

High-Speed Universal Broadband Services C.I.C.

Notes to the Unaudited Financial Statements for the Year Ended 30 September 2019

	2019 £	2018 £
Due within one year		
Trade creditors	5,221	-
Taxation and social security	992	3,102
Accruals and deferred income	4,524	4,842
Other creditors	-	376
	<u>10,737</u>	<u>8,320</u>

8 Related party transactions

Other debtors includes £49 owed to the company by Professor Gordon Hughes, company director as at 30 September 2019 (2018: the company owed Professor Hughes: £375). The maximum amount owed to Professor Hughes in the year was £1,978.

This loan was interest free and repayable on demand.

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CIC 34**Community Interest Company Report****For official use**
*(Please leave blank)**Please
complete in
typescript, or
in bold black
capitals.***Company Name in
full**HIGH-SPEED UNIVERSAL BROADBAND
SERVICES C.I.C.**Company Number**

SC 455437

Year Ending30th SEPTEMBER 2019

This template illustrates what the Regulator of Community Interest Companies considers to be best practice for completing a simplified community interest company report. All such reports must be delivered in accordance with section 34 of the Companies (Audit, Investigations and Community Enterprise) Act 2004 and contain the information required by Part 7 of the Community Interest Company Regulations 2005. For further guidance see chapter 8 of the Regulator's guidance notes and the alternate example provided for a more complex company with more detailed notes.

PART 1 - GENERAL DESCRIPTION OF THE COMPANY'S ACTIVITIES AND IMPACT

In the space provided below, please insert a general account of the company's activities in the financial year to which the report relates, including a fair and accurate description of how they have benefited the community, or section of the community, which the company is intended to serve.

The Company – known as HUBS – was established to improve the availability and quality of broadband services for predominantly rural communities in Scotland by (a) providing and managing aggregated network products and services, and (b) offering advice, training, support and other assistance to its Members and other communities wishing to establish community broadband networks. During the financial year 2018-19 HUBS continued to expand its operations as an upstream internet service provider to community broadband networks, providing services to Applenet, Borders Online Ltd, Glenelg & Arnisdale Development Trust, GlenuigNet, Hebnet, Highland Community Broadband, Loch Hourn Community Broadband, and Skyenet. Traffic routed over its network increased by more than 25% over the year as a consequence of more intensive use of existing circuits and two new circuits in the Scottish Borders. In addition, HUBS upgraded its upstream capacity at Pulsant South Gyle and invested in a new 10 Gbps cross-connect to provide greater resilience.

In addition, HUBS provided advice and other assistance to its members and several other communities to enable them to seek funding for, set up, construct and operate community networks. During 2018-19 HUBS increased the level of technical support for network operation that it provides to its members by employing a full-time network adviser.

(Please continue on separate continuation sheet if necessary.)

PART 2 – CONSULTATION WITH STAKEHOLDERS – Please indicate who the company's stakeholders are; how the stakeholders have been consulted and what action, if any, has the company taken in response to feedback from its consultations? If there has been no consultation, this should be made clear.

The Company's stakeholders are: (a) community enterprises and other companies that operate community broadband services in Scotland, (b) the local communities which are served by these community networks, and (c) the general population of communities which do not have access to high speed broadband services offered by the main commercial operators.

The community networks have been consulted through video and other meetings, the circulation of papers and other information, and day-to-day discussion of operational issues. Through their regular contacts with Directors they are able to determine the priorities, finances and policies of the Company.

The community networks are each responsible for consulting their local communities and do so through regular meetings as well as the circulation of documents and other information by email and other means.

The Company maintains frequent communication with the Scottish Government – in particular through Community Broadband Scotland – as well as MSPs, local councillors, Community Councils, and other bodies that have an interest and/or role in the expansion of access to high-speed broadband services in rural areas of Scotland. Directors of the Company have given advice to many communities on options for establishing new community networks and, in some cases, work with community groups in preparing and executing plans for that purpose.

PART 3 – DIRECTORS' REMUNERATION – if you have provided full details in your accounts you need not reproduce it here. Please clearly identify the information within the accounts and confirm that, "There were no other transactions or arrangements in connection with the remuneration of directors, or compensation for director's loss of office, which require to be disclosed" (See example with full notes). If no remuneration was received you must state that "no remuneration was received" below.

During 2018-19 the Company made no payments to Directors or entities controlled by Directors for the purchases of goods or services from those Directors. On 30 September 2019 the Company owed a total of £49 to a Director as reimbursement for purchases of goods and other items over the internet required for the operation of the Company. All such expenditures were authorised by a Director not involved in the transactions.

There were no other transactions or arrangements in connection with the remuneration of directors, or compensation for director's loss of office, which require to be disclosed.

PART 4 – TRANSFERS OF ASSETS OTHER THAN FOR FULL CONSIDERATION – Please insert full details of any transfers of assets other than for full consideration e.g. Donations to outside bodies. If this does not apply you must state that “no transfer of assets other than for full consideration has been made” below.

No transfer of assets other than for full consideration has been made


(Please continue on separate continuation sheet if necessary.)

(N.B. Please enclose a cheque for £15 payable to Companies House)

PART 5 – SIGNATORY

The original report must be signed by a director or secretary of the company

Signed



Date

26/05/2020

Office held (tick as appropriate) ☒ Director ☐ Secretary

You do not have to give any contact information in the box opposite but if you do, it will help the Registrar of Companies to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

Professor Gordon Hughes	
Highfield, Stobo	
Peebles EH45 8NX	
Telephone	01721 760258
DX Number	DX Exchange

When you have completed and signed the form, please send it to the Registrar of Companies at:

For companies registered in England and Wales: Companies House, Crown Way, Cardiff, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland: Companies House, 4th Floor, Edinburgh Quay 2, 139
Fountainbridge, Edinburgh, EH3 9FF DX 235 Edinburgh or LP – 4 Edinburgh 2

For companies registered in Northern Ireland: Companies House, 2nd Floor, The Linenhall, 32-38
Linenhall Street, Belfast, BT2 8BG