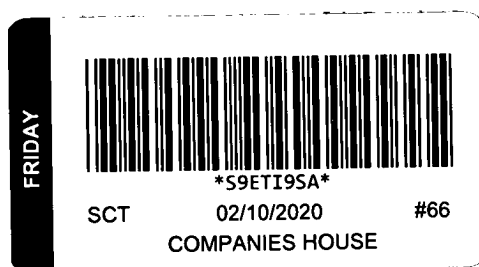


Registered Number: SC620252

## FOOD HUB (NES) LIMITED

INFORMATION FOR FILING WITH THE REGISTRAR  
FOR THE PERIOD ENDED 31 MARCH 2020



**FOOD HUB (NES) LIMITED**

**REPORT AND FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2020**

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## FOOD HUB (NES) LIMITED

### CHAIRMAN'S STATEMENT FOR THE PERIOD ENDED 31 MARCH 2020

#### REVIEW OF THE BUSINESS

Food Hub (NES) Limited was established by the private sector to deliver the Food Hub for Innovation (Food Hub) in north east Scotland.

Food Hub is a £21 million investment in the industry to create a centre of excellence for food and drink that will deliver regional and national growth ambitions. The project includes £10 million of capital funding co-funded by the UK Government and Scottish Government through the Aberdeen City Region Deal – a partnership between both governments, Opportunity North East (ONE), Aberdeen City Council and Aberdeenshire Council. ONE has committed an additional £4.4 million of its funding to operate the hub and deliver bespoke support activity to the sector.

Food Hub will be the go-to place to deliver north east Scotland's ambition to grow the size and value of the food and drink sector. Food Hub (NES) Ltd will work closely with industry and the public sector to maximise collaboration and further the interests of the food, drink and agricultural industry.

Food Hub (NES) Limited, therefore, aims to:

- Create an entrepreneurial environment and infrastructure that inspires and supports companies to innovate and grow – increasing product development based on market insights and technical know-how.
- Establish a physical hub that will provide incubator space, commercial-grade development kitchens, demonstrator space, co-working space and meet-up space.
- Stimulate digital transformation investment across the food and drink industry supply chain to increase productivity in the sector.
- Provide mentoring and professional input to support business leaders and build investor-ready businesses.
- Increase the number of collaborations in the food and drink industry sector between academia and industry.

Food Hub (NES) Limited, supported by ONE, made significant progress against these aims in its first year.

Directors were appointed to the Board, representing the core project delivery partners and industry in the region.

The site for the new-build Food Hub is on the Scotland's Rural College (SRUC) campus at Sunnybrae, adjacent to the Aberdeen Western Peripheral Route and close to Aberdeen International Airport and the new P&J Live conference and event complex. This strategic location provides excellent access for businesses across the region and air connectivity to the rest of the UK and international destinations. Site investigation work and negotiations with SRUC proceeded satisfactorily during the year.

Tendering for project management support and an architect-led design team was carried out during the year with appointments made to develop detailed designs to support a planning application for Food Hub to Aberdeen City Council in 2020-21.

Food Hub priorities include driving technology and process innovation adoption in food and drink manufacturing in the region and across Scotland. A memorandum of understanding was signed with the new National Manufacturing Institute Scotland to pursue synergies in this field.

The Food Hub brand – SeedPod – was launched to industry and partners in January 2020, including contributions from the City Region Deal partners – UK Government, Scottish Government, ONE, Aberdeenshire Council, and Aberdeen City Council – and SRUC.

The project team engaged widely with industry, partners and stakeholders during the year with a focus on business needs, best practice and co-funding opportunities. This work will continue as the detailed

**CHAIRMAN'S STATEMENT  
FOR THE PERIOD ENDED 31 MARCH 2020 (continued)**

design for Food Hub and its support programmes evolve, and the project moves through its delivery phases.

The project, therefore, achieved its critical milestones during the year.

On behalf of the Board, I thank the colleagues and partners who contributed to the project. Including ONE for its funding and leadership, commercial, finance and administrative support, our Aberdeen City Region Deal partners, the UK Government and Scottish Government as capital co-funders, and SRUC, the University of Aberdeen and Robert Gordon University.

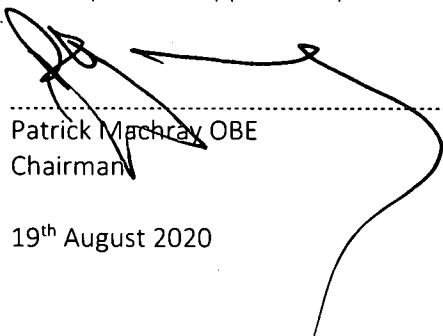
At year-end, the significance of the COVID-19 pandemic was becoming evident, and its health, economic and societal impacts continue to unfold at the time of writing this statement. The crisis served to underline the significance of the food, drink, agriculture and fishing sector in north east Scotland. It contributes to food security and supply as the producer of high-provenance, healthy food and drink, employs more than 22,000 people across Aberdeen and Aberdeenshire, and is an essential contributor to national sector productivity and outputs.

Food Hub is now an even more significant project, regionally and nationally, as it will help to accelerate innovation, productivity, exports and company growth as the sector plays its part in economic recovery and rebuilding in the years ahead.

COVID-19 has caused significant disruption to all industry sectors, including construction. The Board recognises this evolving situation and marketplace and continues to engage with its contractors and partners to mitigate project risks, including potential delays to project timescales.

Finally, I thank my fellow directors for their work during the year and their commitment to delivering this transformational project for the food and drink sector in north east Scotland and nationally.

This report was approved by the board and signed on its behalf by:



Patrick Macbray OBE  
Chairman

19<sup>th</sup> August 2020

## FOOD HUB (NES) LIMITED

### DIRECTORS' REPORT FOR THE PERIOD ENDED 31 MARCH 2020

The directors present their annual report and the audited financial statements for the period from the date of incorporation, 5<sup>th</sup> February 2019 to 31<sup>st</sup> March 2020.

#### PRINCIPAL ACTIVITY

Food Hub (NES) Ltd is the private sector company set up to deliver a food and drink development hub in Aberdeen and to do all such things which are or may be incidental or conducive to doing so.

#### DIRECTORS

The directors who served during the period were:

Patrick Machray OBE (Chairman)	(appointed 5 February 2019)
Jennifer Crow	(appointed 5 February 2019)
William Alexander Dean	(appointed 23 May 2019)
Professor John Harper	(appointed 23 May 2019)
David Charles Kilshaw	(appointed 23 May 2019)
Andrew Jonathan Lacey	(appointed 23 May 2019)
Neil Freckingham	(appointed 23 May 2019)
Dr Elizabeth-Ann Simpson Rattray	(appointed 23 May 2019)
Alan Rowe	(appointed 23 May 2019)

#### GOING CONCERN

Food Hub (NES) Ltd has a funding commitment of £10m from the Aberdeen City Region Deal for the construction of a Food Hub in Aberdeen. Opportunity North East Ltd has also committed up to £4.4m for the delivery of the objectives set out in the Aberdeen City Region Deal Food Hub business case. This includes the operational costs of Food Hub (NES) Ltd in its initial years. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

#### DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

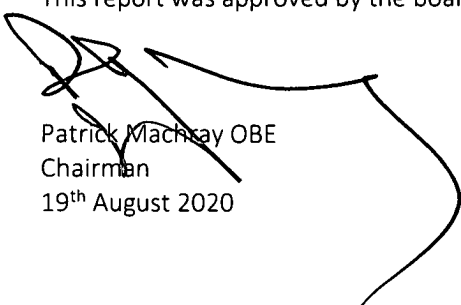
#### AUDITORS

The auditors, Anderson Anderson & Brown Audit LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

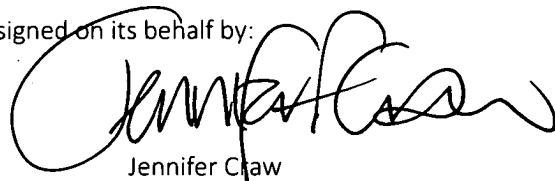
#### SMALL COMPANIES NOTE

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf by:



Patrick Machray OBE  
Chairman  
19<sup>th</sup> August 2020



Jennifer Crow  
Director  
19<sup>th</sup> August 2020

## DIRECTORS' RESPONSIBILITIES STATEMENT

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

FOOD HUB (NES) LIMITED  
REGISTERED NUMBER: SC620252

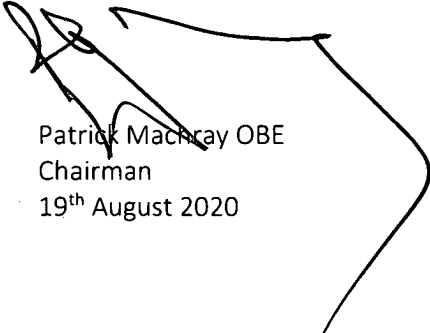
BALANCE SHEET  
AS AT 31 MARCH 2020


	Note	2020 £
<b>FIXED ASSETS</b>		
Tangible assets	4	<u>117,061</u>
<b>CURRENT ASSETS</b>		
Debtors	5	82,359
Cash at bank and in hand	6	<u>123,722</u>
		206,081
<b>CREDITORS: amounts falling due within one year</b>	7	<u>(206,081)</u>
<b>NET CURRENT ASSETS</b>		<u>-</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>117,061</u>
<b>CREDITORS: amounts falling due outwith one year</b>	8	<u>(117,061)</u>
<b>NET ASSETS</b>		<u><u>-</u></u>
<b>RESERVES</b>		
Retained earnings		<u>-</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A – small entities.

The Company has opted not to file the statement of comprehensive income in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the Board and were signed on its behalf by:

  
Patrick Macbray OBE  
Chairman  
19<sup>th</sup> August 2020

  
Jennifer Crow  
Director  
19<sup>th</sup> August 2020

The notes on pages 6 to 9 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS  
PERIOD ENDED 31 MARCH 2020

**1. ACCOUNTING POLICIES**

**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

Food Hub (NES) Limited is a private company limited by guarantee which is incorporated and registered in Scotland. The registered office is 6 Queens Road, Aberdeen, AB15 4ZT.

The financial statements have been prepared under the historical cost convention unless otherwise specified with these accounting policies and in accordance with Section 1A Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

**1.2 GOING CONCERN**

The directors, having made due and careful enquiry and prepared forecasts, are of the opinion that the company has sufficient working capital to execute its operations over the next 12 months. The directors, therefore, have made an informed judgement, at the time of approving the financial statements, that there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. As a result, the directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

**1.3 TANGIBLE FIXED ASSETS**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the costs of assets less their residual value over their estimated useful lives, using the straight-line method.

Assets in the Course of Construction are held on the balance sheet at historic cost until such time as the asset is available for use or if there is an indication of a significant change in value since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

**1.4 DEBTORS**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**1.5 CASH AND EQUIVALENTS**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.



NOTES TO THE FINANCIAL STATEMENTS  
PERIOD ENDED 31 MARCH 2020

**1. ACCOUNTING POLICIES (continued)**

**1.6 CREDITORS**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**1.7 GRANT INCOME**

Grants received are credited to deferred income.

Grants towards capital expenditure are released to income over the expected useful life of the relevant assets.

Grants of a revenue nature are released and credited to the Statement of Comprehensive Income so as to match them with the expenditure to which they relate.

**1.8 CURRENT AND DEFERRED TAXATION**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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 income.

Deferred 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 it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

**1.9 PROVISION FOR LIABILITIES**

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the

FOOD HUB (NES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
PERIOD ENDED 31 MARCH 2020

1. ACCOUNTING POLICIES (continued)

company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2. AUDITORS' REMUNERATION

	2020 £
Fees payable to the auditor for the audit of the company's annual accounts	<u>3,500</u>

3. EMPLOYEES

There were no employees during the period. There were 9 directors during the period. Non-executive directors do not receive remuneration.

4. TANGIBLE FIXED ASSETS

	Assets in the course of construction £ 2020
Cost & Net Book Value	
Additions	<u>117,061</u>
At 31 March 2020	<u>117,061</u>

5. DEBTORS

	2020 £
Due within one year	
Trade Debtors	47,646
Prepayments and other debtors	28,906
Accrued income	<u>5,807</u>
	<u>82,359</u>

6. CASH AND CASH EQUIVALENTS

	2020 £
Cash at bank and in hand	<u>123,722</u>

FOOD HUB (NES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
PERIOD ENDED 31 MARCH 2020

7. CREDITORS: Amounts falling due within one year

	2020 £
Trade Creditors	66,973
Accruals	11,895
Deferred income	127,213
	<u>206,081</u>

8. CREDITORS: Amounts falling due after more than one year

	2020 £
<i>Accruals and deferred income</i>	
Capital grant received in the year	<u>117,061</u>

9. FINANCIAL COMMITMENTS

The company has financial commitments to third parties in relation to contractual agreements that were in place at the balance sheet date. These commitments amount to £599,909 and are expected to be settled over the next 2 years.

10. CONTROLLING PARTY

The company is limited by guarantee and has 2 members. The liability of members who hold the guarantee is limited to £1 each. Control of the company rests with the Board of Directors which is independent from the members.

11. COMPANY STATUS

The company is a private company limited by guarantee and consequently does not have share capital.

12. AUDITOR'S INFORMATION

The auditor's report on the financial statements for the period ended 31 March 2020 was unqualified. The audit report was signed on 19/8/20 by Derek Mair (Senior statutory auditor) on behalf of Anderson Anderson & Brown Audit LLP.