

HFS CONSULTANTS LIMITED  
UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2020

**HFS CONSULTANTS LIMITED**

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**HFS CONSULTANTS LIMITED****BALANCE SHEET  
AS AT 30 NOVEMBER 2020**

		2020	As restated 2019
	Note	£	£
<b>Fixed assets</b>			
Tangible assets	5	3,196	4,615
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	-	1,296
Cash at bank and in hand		22,413	44,718
		<u>22,413</u>	<u>46,014</u>
Creditors: amounts falling due within one year	7	(318,223)	(314,599)
<b>Net current liabilities</b>		<u>(295,810)</u>	<u>(268,585)</u>
<b>Total assets less current liabilities</b>		<u>(292,614)</u>	<u>(263,970)</u>
<b>Net liabilities</b>		<u>(292,614)</u>	<u>(263,970)</u>
<b>Capital and reserves</b>			
Called up share capital	8	100	100
Profit and loss account		(292,714)	(264,070)
<b>Total equity</b>		<u>(292,614)</u>	<u>(263,970)</u>

## HFS CONSULTANTS LIMITED

### BALANCE SHEET (CONTINUED)

AS AT 30 NOVEMBER 2020

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The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006 and in accordance with Section 1A of Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the profit and loss account in accordance with 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:

**Kevin Shields**

Director

Date: 29 November 2021

The notes on pages 3 to 9 form part of these financial statements.

# HFS CONSULTANTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2020

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### 1. General information

HFS Consultants Limited is a private company limited by shares incorporated in England and Wales. The registered office is Palladium House, 1-4 Argyll Street, London, W1F 7LD.

The financial statements are presented in sterling (£) which is the financial currency of the company. Monetary amounts are rounded to the nearest £.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

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

The following principal accounting policies have been applied:

#### 2.2 Going concern

The World Health Organization declared the Coronavirus (COVID-19) outbreak a pandemic on 11 March 2020. The pandemic and measures to control its human impact have resulted in disruptions to economic activity and business operations worldwide. This could potentially have an impact on the company, depending on factors such as the duration and continued spread of the pandemic, the level of restrictions and advisories from governments around the world and the effects on the economy overall. The scale and duration of the pandemic and the impact on the company, its customers and suppliers remains uncertain and it may ultimately impact the company's activities, cash-flows and financial condition.

However, the directors have considered trading performance, government support and future plans and they are satisfied that with the support of the shareholders and connected entities, the company has adequate resources to fund its working capital requirements for a period of at least twelve months from the date of approval of these financial statements. Accordingly, the financial statements have been prepared on a going concern basis.

#### 2.3 Revenue

Turnover represents amounts receivable for commissions and services provided.

#### 2.4 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants of a revenue nature are recognised in the Profit and loss account in the same period as the related expenditure.

During the year, the company received Job Retention Grants of £5,186.

#### 2.5 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

# HFS CONSULTANTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2020

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### 2. Accounting policies (continued)

#### 2.6 Pensions

##### Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the company in independently administered funds.

#### 2.7 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 recognised so as to write off the cost or valuation of assets less their residual values over their useful lives.

Depreciation is provided on the following basis:

Plant and machinery	-	25% reducing balance
Fixtures and fittings	-	25% reducing balance
Computer equipment	-	Straight line over 3 years

#### 2.8 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

#### 2.9 Financial instruments

The company has elected to apply Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

The company's policies for its major classes of financial assets and financial liabilities are set out below.

# HFS CONSULTANTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2020

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### 2. Accounting policies (continued)

#### Financial instruments (continued)

##### Financial assets

Basic financial assets, including trade and other debtors, cash and bank balances, intercompany working capital balances, and intercompany financing are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

##### Financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

##### Derivative contracts

Derivatives contracts, including interest rate swaps and foreign exchange forward contracts, are not basic financial instruments.

Derivatives contracts are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in interest payable and similar expenses or interest receivable and similar income as appropriate.

##### Derivative contracts

The company enters into floating to fixed interest rate swaps to manage its exposure to cash flow risk on its variable rate debt instruments. These derivatives are measured at fair value at each reporting date. To the extent the hedge is effective, movements in fair value are recognised in other comprehensive income and presented in a separate cash flow hedge reserve. Any ineffectiveness is recognised in the profit and loss account for the year within interest payable and similar expenses.

# HFS CONSULTANTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2020

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### 2. Accounting policies (continued)

#### Financial instruments (continued)

##### Impairment of financial assets

Financial assets measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount the company would receive for the asset if it were to be sold at the reporting date.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If the financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### Derecognition of financial assets and financial liabilities

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

If a transfer does not result in derecognition because the company has retained significant risks and rewards of ownership of the transferred asset, the company continues to recognise the transferred asset in its entirety and recognises a financial liability for the consideration received. The asset and liability are not offset. In subsequent periods, the company recognises any income on the transferred asset and any expense incurred on the financial liability.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

##### Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

# HFS CONSULTANTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2020

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### 2. Accounting policies (continued)

#### 2.10 Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, 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.

Current tax is the amount of income tax payable in respect of taxable profit for the year or prior years.

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

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

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 it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and

Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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 tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

### 3. Employees

The average monthly number of employees, including directors, during the year was 4 (2019 - 4).

### 4. Taxation

The company has estimated trading losses of £284,000 (2019 - £257,000) available for carry forward against future trading profits.

# HFS CONSULTANTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2020

### 5. Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost or valuation</b>				
At 1 December 2019	2,007	675	6,138	8,820
Additions	-	844	557	1,401
At 30 November 2020	2,007	1,519	6,695	10,221
<b>Depreciation</b>				
At 1 December 2019	878	296	3,031	4,205
Charge for the year on owned assets	282	306	2,232	2,820
At 30 November 2020	1,160	602	5,263	7,025
<b>Net book value</b>				
At 30 November 2020	847	917	1,432	3,196
At 30 November 2019	1,129	379	3,107	4,615

### 6. Debtors

	2020 £	2019 £
Other debtors	-	1,296
	-	1,296

### 7. Creditors: Amounts falling due within one year

	2020 £	As restated 2019 £
Other loans	310,639	310,639
Other taxation and social security	553	847
Other creditors	5,471	1,553
Accruals and deferred income	1,560	1,560
	318,223	314,599

# HFS CONSULTANTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2020

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### 8. Share capital

	2020 £	2019 £
<b>Shares classified as equity</b>		
<b>Allotted, called up and fully paid</b>		
100 (2019 - 100) Ordinary shares of £1.00 each	<u>100</u>	<u>100</u>

### 9. Prior year adjustment

The 2019 comparatives have been restated to present loans to the Company of £310,639 as current liabilities, rather than liabilities falling due after more than one year. This is on the basis that the loans have no formal terms and conditions and therefore it could be called at any time, even though the lenders do not intend to recall them within the next 12 months. This has no effect on the company's results for the year ended 30 November 2019 or its net liabilities as at 30 November 2019.

### 10. Related party transactions

Included within other loans is an amount of £262,815 (2019: £262,815) due to a company in which one of the shareholders has a beneficial interest. The loan bears no interest.

Included within other loans is an amount of £8,965 (2019: £8,965) due to the shareholders. The loan is provided interest free and is unsecured. There are no formal terms and conditions regarding repayment of the loan.

During the year commissions of £27,563 (2019: £47,045) were paid to one of the directors.

During the year commissions of £71,841 (2019: £66,968) were paid to a company in which one of the directors has a beneficial interest.

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