COMPANY REGISTRATION NUMBER: SC143267

Herbel (Western) Limited

Filleted Financial Statements

23 December 2018

Herbel (Western) Limited

Financial Statements

Period from 25 December 2017 to 23 December 2018

Contents

Herbel (Western) Limited

Officers and Professional Advisers

Director	Mr M A Herbert
Company secretary	Mrs L E Herbert
Registered office	152 Union Street Aberdeen Scotland AB10 1QT
Auditor	Maneely Mc Cann Chartered Accountants & Statutory Auditors Aisling House 50 Stranmillis Embankment Belfast BT9 5FL
Bankers	Lloyds Bank Plc 32 Oxford Street London W1R 2BS HSBC Bank UK PLC 25-29 Royal Avenue Belfast BT1 1FB
Solicitors	Maclay Murray & Spens LLP 1 George Square Glasgow G2 1AL Burness Paul LLP Union Plaza 1 Union Wynd Aberdeen AB10 1DQ

Herbel (Western) Limited

Statement of Financial Position

23 December 2018

	Note	23 Dec 18 £	£	24 Dec 17 £
Fixed assets				
Intangible assets	5		**16,072**	21,778
Tangible assets	6		**394,994**	3,734,372
			411,066	3,756,150
Current assets				
Stocks		**38,516**		31,285
Debtors	7	**1,668,126**		1,109,251
Cash at bank and in hand		**173,463**		308,858
		1,880,105		1,449,394
Creditors: amounts falling due within one year	8	**886,862**		749,934
Net current assets			**993,243**	699,460
Total assets less current liabilities			**1,404,309**	4,455,610
Net assets			**1,404,309**	4,455,610
Capital and reserves				
Called up share capital			**2**	2
Revaluation reserve			–	560,000
Profit and loss account			**1,404,307**	3,895,608
Shareholders funds			**1,404,309**	4,455,610

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on 26 June 2019 , and are signed on behalf of the board by:

Mr M A Herbert

Director

Company registration number: SC143267

Herbel (Western) Limited

Notes to the Financial Statements

Period from 25 December 2017 to 23 December 2018

1. General information

The company is a private company limited by shares, registered in Scotland. The address of the registered office is 152 Union Street, Aberdeen, Scotland, AB10 1QT.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss. The financial statements are prepared in sterling, which is the functional currency of the entity.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Exceptional items

Exceptional items are disclosed separately in the financial statements in order to provide further understanding of the financial performance of the entity. They are material items of income or expense that have been shown separately because of their nature or amount.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date. Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that 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 that are expected to apply to the reversal of the timing difference.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Intangible assets

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life. Licences are shown at their original cost and are amortised to the profit and loss account over the licence period.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Franchise licence - 10% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	-	Over 3, 4 or 10 years

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the low of cost and estimated selling price less costs to complete and sell. Costs includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Financial instruments

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 entity after deducting all of its financial liabilities. Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability. Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Particulars of employees

The average number of persons employed by the company during the period amounted to 146 (2017: 144).

5. Intangible assets

	Franchise Licences
	£
Cost	
At 25 December 2017 and 23 December 2018	**57,052**
Amortisation	
At 25 December 2017	**35,274**
Charge for the period	**5,706**
At 23 December 2018	**40,980**
Carrying amount	
At 23 December 2018	**16,072**
At 24 December 2017	21,778

6. Tangible assets

	Land and buildings	Fixtures and fittings	Total
	£	£	£
Cost			
At 25 December 2017	3,402,851	2,401,799	**5,804,650**
Additions	–	67,772	**67,772**
Disposals	(3,402,851)	–	**(3,402,851)**
At 23 December 2018	–	2,469,571	**2,469,571**
Depreciation			
At 25 December 2017	117,851	1,952,427	**2,070,278**
Charge for the period	–	122,150	**122,150**
Disposals	(117,851)	–	**(117,851)**
At 23 December 2018	–	2,074,577	**2,074,577**
Carrying amount			
At 23 December 2018	–	394,994	**394,994**
At 24 December 2017	3,285,000	449,372	3,734,372

Land & buildings Land and building, other than investment property. are revalued in accordance with FRS 102, and any surplus or deficits thereon are credited to a revaluation reserve. Deficits arising are charged to the income statement if not exceeded by previous revaluation surpluses and if the deficit is not considered to be temporary. The annual depreciation charge which would be necessary to write down the book value of the assets to residual value is considered to be immaterial and is therefore not provided for. An impairment review is carried out at each balance sheet date and any impairment in value is recognised in accordance with FRS 102. Finance costs The aggregate amount of finance costs included in the cost of tangible fixed assets is £0 (24 December 2017: £35,254). Tangible assets held at valuation Included within land and buildings in the prior period was land with a net book value of £856,870.

Tangible assets held at valuation

The historical cost of land and buildings at 23 December 2018 was £0 (24 December 2017: £3,234,559).

7. Debtors

	23 Dec 18	24 Dec 17
	£	£
Amounts owed by group undertakings and undertakings in which the company has a participating interest	**1,569,076**	1,028,466
Other debtors	**99,050**	80,785
	1,668,126	1,109,251

The debtors above include the following amounts falling due after more than one year:

	23 Dec 18	24 Dec 17
	£	£
Amounts owed by group undertakings and undertakings in which the company has a participating interest	**1,569,076**	1,028,466

8. Creditors: amounts falling due within one year

	23 Dec 18	24 Dec 17
	£	£
Trade creditors	**325,362**	294,577
Corporation tax	**63,713**	167,781
Social security and other taxes	**272,063**	122,793
Other creditors	**152,497**	89,964
Other creditors	**73,227**	74,819
	886,862	749,934

Bank loans and overdrafts of the group are secured by way of fixed and floating charges on the company's and group's assets and by charges over property leases between group companies.

9. Analysis of other comprehensive income

	Revaluation reserve	Profit and loss account	**Total**
	£	**£**	**£**
Period ended 23 December 2018			
Reclassification from revaluation reserve to profit and loss account	(560,000)	560,000	–
Period ended 24 December 2017			
Revaluation of tangible assets	560,000	–	560,000

10. Commitments under operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	23 Dec 18	24 Dec 17
	£	£
Not later than 1 year	**240,350**	–
Later than 1 year and not later than 5 years	**905,792**	–
Later than 5 years	**2,604,424**	–
	3,750,566	–

11. Summary audit opinion

The auditor's report for the period dated 26 June 2019 was unqualified.

The senior statutory auditor was Cathal Maneely , for and on behalf of Maneely Mc Cann .

12. Related party transactions

Control The company is a wholly owned subsidiary of Scotco (Northern) Limited, a company incorporated in England & Wales, which is a wholly owed subsidiary of Scotco (Eastern) Limited, a company incorporated in Scotland. Scotco (Eastern) Limited is a wholly owned subsidiary of Banner Dell Limited, a company incorporated in England and Wales, which is a wholly owned subsidiary of Herbert Corporate Holdings Limited, a company incorporated in Northern Ireland. Mrs L E Herbert is the shareholder of Herbert Corporate Holdings Limited and as such is considered to be the company's ultimate controlling party. Transactions The company has taken advantage of the exemption from disclosing related party transactions with group companies, in accordance with Financial Reporting Standard No 102 Section 1A Appendix C, Related Party Disclosures.

13. Controlling party

Herbert Corporate Holdings Limited is the company's ultimate parent company. Copies of consolidated financial statements may be obtained from Lesley House, 605 Lisburn Road, Belfast, Northern Ireland, BT9 7GS .