

# ExecSpace Limited

Registered number: SC332838

## Filleted Accounts

For the year ended 31 December 2017



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28/09/2018  
COMPANIES HOUSE

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**EXECSPACE LIMITED**

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**COMPANY INFORMATION**

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|----------------------------|--------------------------------------------------------------------------------------------------------------------|
| <b>Directors</b>           | Emma Little<br>Paul Mason<br>David Robb                                                                            |
| <b>Registered number</b>   | SC332838                                                                                                           |
| <b>Registered office</b>   | Mitchell House<br>5 Mitchell Street<br>Leith<br>Edinburgh<br>EH6 7BD                                               |
| <b>Independent auditor</b> | Mazars LLP<br>Chartered Accountants & Statutory Auditor<br>Apex 2<br>97 Haymarket Terrace<br>Edinburgh<br>EH12 5HD |
| <b>Bankers</b>             | HSBC<br>76 Hanover Street<br>Edinburgh<br>EH2 1HQ                                                                  |
| <b>Solicitors</b>          | Addleshaw Goddard LLP<br>Exchange Tower<br>19 Canning Street<br>Edinburgh<br>EH3 8EH                               |

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**EXECSPACE LIMITED**

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**EXECSPACE LIMITED**  
**REGISTERED NUMBER: SC332838**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2017**

|                                                         | Note | 2017<br>£                 | 2016<br>£                 |
|---------------------------------------------------------|------|---------------------------|---------------------------|
| <b>Fixed assets</b>                                     |      |                           |                           |
| Tangible fixed assets                                   | 4    | 1,952                     | 3,995                     |
| <b>Current assets</b>                                   |      |                           |                           |
| Debtors: amounts falling due within one year            | 5    | 497,529                   | 541,051                   |
| Cash and cash equivalents                               | 6    | 57,206                    | 51,235                    |
|                                                         |      | <u>554,735</u>            | <u>592,286</u>            |
| Creditors: amounts falling due within one year          | 7    | (936,564)                 | (796,806)                 |
| <b>Net current liabilities</b>                          |      | <u>(381,829)</u>          | <u>(204,520)</u>          |
| <b>Total assets less current liabilities</b>            |      | <u>(379,877)</u>          | <u>(200,525)</u>          |
| Creditors: amounts falling due after more than one year | 8    | (790,153)                 | (1,078,901)               |
| <b>Net liabilities</b>                                  |      | <u><u>(1,170,030)</u></u> | <u><u>(1,279,426)</u></u> |
| <b>Capital and reserves</b>                             |      |                           |                           |
| Called up share capital                                 | 10   | 2                         | 2                         |
| Share premium account                                   | 11   | 257,155                   | 257,155                   |
| Profit and loss account                                 | 11   | (1,427,187)               | (1,536,583)               |
|                                                         |      | <u>(1,170,030)</u>        | <u>(1,279,426)</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 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 statement of income and retained earnings 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 on

28/9/18



**Emma Little**  
**Director**

The notes on pages 2 to 9 form part of these financial statements.

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**EXECSpace LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**1. General information**

The company is a private company limited by shares and registered in Scotland. The Company's registered office address and principal place of business is Mitchell House, 5 Mitchell Street, Leith, Edinburgh, EH6 7BD.

**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 financial statements are prepared in sterling, which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest £.

The following principal accounting policies have been applied:

**2.2 Going concern**

The Board has robust processes and procedures in place to monitor and manage the operational and financial management of the Company. These procedures include the review of management information and financial forecasts at the monthly Board meetings. Additionally, the management team report to the Directors on sales figures and short-term cash forecasts between Board meetings and this provides the directors with comfort that the company is meeting its day to day working capital requirements through cash generated from its regular trading activities. Longer-term forecasts provide the directors with the opportunity to review and consider longer-term funding requirements and identifying the requirement for capital to fund expansion.

The Directors are of the opinion that the company continues as a going concern and that it is appropriate to prepare the financial statements on a going concern basis.

**2.3 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The various sources of income are recognised as follows:

Commissions receivable are recognised in the month in which the event took place.

Partnership fees are invoiced before the commencement of the agreement and recognised in the profit and loss account in equal monthly installments over the length of the agreement.

Transaction and billback fees payable by clients are recognised in the month in which the event took place.

**2.4 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.

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**EXECSPACE LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**2. Accounting policies (continued)****2.4 Tangible fixed assets (continued)**

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

Depreciation is provided on the following basis:

|                    |                     |
|--------------------|---------------------|
| Office equipment   | - 33% Straight line |
| Computer equipment | - 33% Straight line |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change 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 Income and Retained Earnings.

**2.5 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.

**2.6 Cash and cash 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.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**2. Accounting policies (continued)****2.7 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are 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 Statement of Income and Retained Earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a 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.

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

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position 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.

**2.8 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.

**2.9 Finance costs**

Finance costs are charged to the Statement of Income and Retained Earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

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**EXECSPACE LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**2. Accounting policies (continued)****2.10 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

**2.11 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 the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

**2.12 Interest income**

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

**2.13 Borrowing costs**

All borrowing costs are recognised in the Statement of Income and Retained Earnings in the year in which they are incurred.

**2.14 Taxation**

Tax is recognised in the Statement of Income and Retained Earnings, 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 tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position 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 reporting date.

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**EXECSPACE LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**3. Employees**

The average monthly number of employees, including the Directors, during the year was as follows:

|  | 2017<br>No. | 2016<br>No. |
|--|-------------|-------------|
|  | 10          | 11          |

**4. Tangible fixed assets**

|                                     | Office<br>equipment<br>£ | Computer<br>equipment<br>£ | Total<br>£ |
|-------------------------------------|--------------------------|----------------------------|------------|
| <b>Cost</b>                         |                          |                            |            |
| At 1 January 2017                   | 1,100                    | 13,585                     | 14,685     |
| Additions                           | -                        | 716                        | 716        |
| Disposals                           | -                        | (472)                      | (472)      |
| At 31 December 2017                 | 1,100                    | 13,829                     | 14,929     |
| <b>Depreciation</b>                 |                          |                            |            |
| At 1 January 2017                   | 122                      | 10,568                     | 10,690     |
| Charge for the year on owned assets | 550                      | 1,973                      | 2,523      |
| Disposals                           | -                        | (236)                      | (236)      |
| At 31 December 2017                 | 672                      | 12,305                     | 12,977     |
| <b>Net book value</b>               |                          |                            |            |
| At 31 December 2017                 | 428                      | 1,524                      | 1,952      |
| At 31 December 2016                 | 978                      | 3,017                      | 3,995      |

**5. Debtors**

|                                | 2017<br>£ | 2016<br>£ |
|--------------------------------|-----------|-----------|
| Trade debtors                  | 320,726   | 447,777   |
| Other debtors (Note 13)        | 137,072   | 46,790    |
| Prepayments and accrued income | 39,731    | 46,484    |
|                                | 497,529   | 541,051   |

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**EXECSPACE LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**6. Cash and cash equivalents**

|                          | 2017<br>£ | 2016<br>£ |
|--------------------------|-----------|-----------|
| Cash at bank and in hand | 57,206    | 51,235    |

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

|                                    | 2017<br>£      | 2016<br>£      |
|------------------------------------|----------------|----------------|
| Bank loan (Note 9)                 | 3,782          | 3,281          |
| Other loan (Note 9)                | 212,500        | -              |
| Trade creditors                    | 464,533        | 494,174        |
| Corporation tax payable            | 2,191          | 1,987          |
| Other taxation and social security | 37,476         | 20,283         |
| Factoring creditors                | -              | 119,216        |
| Other creditors                    | -              | 10,353         |
| Accruals                           | 216,082        | 147,512        |
|                                    | <u>936,564</u> | <u>796,806</u> |

Factoring creditors are secured on the trade debtors of the Company and by a floating charge over the assets of the Company.

The other loan of £212,500 (2016 - £nil) is secured by a floating charge over the assets of the Company.

**8. Creditors: Amounts falling due after more than one year**

|                                         | 2017<br>£      | 2016<br>£        |
|-----------------------------------------|----------------|------------------|
| Bank loan (Note 9)                      | 2,112          | 6,396            |
| Other loan (Note 9)                     | 212,500        | 425,000          |
| Other creditors                         | 100,541        | 172,505          |
| Share capital treated as debt (Note 10) | 475,000        | 475,000          |
|                                         | <u>790,153</u> | <u>1,078,901</u> |

The other loan of £212,500 (2016 - £425,000) and the preference share capital treated as debt of £475,000 (2016 - £475,000) are secured by a floating charge over the assets of the Company.

The bank loan is also secured by a floating charge over the assets of the Company.

An analysis of loan maturity is provided under note 9.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**9. Loans**

Analysis of the maturity of loans is given below:

|                                            | 2017<br>£      | 2016<br>£      |
|--------------------------------------------|----------------|----------------|
| <b>Amounts falling due within one year</b> |                |                |
| Bank loan                                  | 3,782          | 3,281          |
| Other loans                                | 212,500        | -              |
| <b>Amounts falling due 1-2 years</b>       |                |                |
| Bank loan                                  | 2,112          | 3,281          |
| Other loan                                 | 212,500        | 212,500        |
| <b>Amounts falling due 2-5 years</b>       |                |                |
| Bank loan                                  | -              | 3,115          |
| Other loan                                 | -              | 212,500        |
|                                            | <u>430,894</u> | <u>434,677</u> |

**10. Share capital**

|                                                                 | 2017<br>£      | 2016<br>£      |
|-----------------------------------------------------------------|----------------|----------------|
| <b>Shares classified as equity</b>                              |                |                |
| <b>Allotted, called up and fully paid</b>                       |                |                |
| 1,736 (2016 - 2,000) Ordinary shares of £0.001 each             | <u>2</u>       | <u>2</u>       |
|                                                                 | 2017<br>£      | 2016<br>£      |
| <b>Shares classified as debt</b>                                |                |                |
| <b>Allotted, called up and fully paid</b>                       |                |                |
| 475,000 (2016 - 475,000) Preference shares of £1 each (Note 11) | <u>475,000</u> | <u>475,000</u> |

**11. Reserves****Share premium account**

The share premium account represents the premium paid on shares issued.

**Profit & loss account**

The profit & loss account represent accumulated profits less losses and distributions.

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**EXECSPACE LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**12. Pension commitments**

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £1,108 (2016 - £nil). Contributions totalling £301 (2016 - £nil) were payable to the fund at the reporting date and are included in creditors

**13. Related party transactions**

Bradenham Partners LLP hold £475,000 (2016: £475,000) Preference shares in ExecSpace Limited. During the year purchases were made from Bradenham Partners LLP of £15,099 (2016 - £14,827) relating to professional services. At the year end £102,041 (2016 - £186,209) was owed to Bradenham Partners LLP.

Included in other debtors is a director's loan account balance of £30,368 (2016 - £28,981) due from Director, Emma Little. This balance is unsecured and interest is charged at 3% per annum.

**14. Controlling party**

In the opinion of the Directors, the controlling party is Emma Little, by virtue of her shareholding at the year end.

**15. Auditor's information**

on 28/9/18

An unqualified audit report was signed by Fiona Martin (Senior Statutory Auditor) for and on behalf of Mazars LLP, Chartered Accountants and Statutory Auditor.