

Company Registration No. 00530535 (England and Wales)

HALLEN ENGINEERING LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MAY 2020
PAGES FOR FILING WITH REGISTRAR

HALLEN ENGINEERING LIMITED

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HALLEN ENGINEERING LIMITED

BALANCE SHEET

AS AT 31 MAY 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	3		72,591		89,673
Current assets					
Stocks		71,159		124,080	
Debtors	4	379,357		521,670	
Cash at bank and in hand		189,889		135,933	
		<u>640,405</u>		<u>781,683</u>	
Creditors: amounts falling due within one year	5	<u>(92,018)</u>		<u>(166,892)</u>	
Net current assets			548,387		614,791
Total assets less current liabilities			<u>620,978</u>		<u>704,464</u>
Provisions for liabilities			<u>(4,610)</u>		<u>(9,401)</u>
Net assets			<u><u>616,368</u></u>		<u><u>695,063</u></u>
Capital and reserves					
Called up share capital	6		3,935		3,935
Share premium account			5,263		5,263
Profit and loss reserves			<u>607,170</u>		<u>685,865</u>
Total equity			<u><u>616,368</u></u>		<u><u>695,063</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial period ended 31 May 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the period in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

HALLEN ENGINEERING LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MAY 2020

The financial statements were approved by the board of directors and authorised for issue on 27 May 2021 and are signed on its behalf by:

Mr C M Carver
Director

Company Registration No. 00530535

HALLEN ENGINEERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MAY 2020

1 Accounting policies

Company information

Hallen Engineering Limited is a private company limited by shares incorporated in England and Wales. The registered office is Ann Street, Willenhall, West Midlands, WV13 1EW.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

These financial statements are prepared on the going concern basis. Management have considered the consequences of COVID-19 and other events and conditions, and it has determined that they do not create a material uncertainty that casts significant doubt upon the company's ability to continue as a going concern.

1.3 Reporting period

The reporting period in the financial statements is a 14 month period due to an extension of the reporting period in line with fellow group companies. For this reason, the comparative amounts presented in the financial statements are not entirely comparable with that of the previous year.

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

HALLEN ENGINEERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MAY 2020

1 Accounting policies

(Continued)

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	10% & 33.33% straight line
Fixtures and fittings	10% straight line
Motor vehicles	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss.

Reversals of impairment losses are also recognised in profit or loss.

HALLEN ENGINEERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MAY 2020

1 Accounting policies

(Continued)

1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

HALLEN ENGINEERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MAY 2020

1 Accounting policies

(Continued)

1.13 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Employees

The average monthly number of persons (including directors) employed by the company during the period was:

	2020 Number	2019 Number
Total	12	13

3 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 April 2019	891,224
Additions	5,358
At 31 May 2020	896,582
Depreciation and impairment	
At 1 April 2019	801,551
Depreciation charged in the period	22,440
At 31 May 2020	823,991
Carrying amount	
At 31 May 2020	72,591
At 31 March 2019	89,673

HALLEN ENGINEERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MAY 2020

4 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	139,391	265,686
Corporation tax recoverable	8,947	-
Other debtors	231,019	255,984
	<u>379,357</u>	<u>521,670</u>

5 Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	24,150	92,249
Corporation tax	-	8,947
Other taxation and social security	29,558	26,077
Other creditors	38,310	39,619
	<u>92,018</u>	<u>166,892</u>

6 Called up share capital

	2020	2019
	£	£
Ordinary share capital		
Authorised		
2,935 Ordinary shares of £1 each	2,935	2,935
500 A preference shares of £1 each	500	500
500 B preference share of £1 each	500	500
	<u>3,935</u>	<u>3,935</u>

7 Directors' transactions

Preference share dividends totalling £20,000 (2019 - £60,000) were paid in the period in respect of shares held by Mrs C A Carver and Mrs H Foster.

Mrs C A Carver and Mrs H Foster are the wives of the company's directors Mr CM Carver and Mr DC Foster.

HALLEN ENGINEERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MAY 2020

8 Parent company

The ultimate parent company and largest and smallest group in which the results of the company are consolidated is that of which headed by C&F Group Holdings Limited, which was incorporated in England and Wales. The consolidated financial statements of this company are available to the public and may be obtained from the company's registered office.

There is no ultimate controlling party, as no single party holds a controlling share in the Company.

9 Contingent liabilities

The company has a cross guarantee with its fellow group companies for group bank borrowings. At 31 May 2020 the liabilities covered by this guarantee totalled £949,421 (2019: £733,521).

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.