

Financial Statements
for the Year Ended 30 April 2020
for
Harry Hall International Limited

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for the Year Ended 30 April 2020**

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Harry Hall International Limited

**Company Information
for the Year Ended 30 April 2020**

DIRECTORS:

E C Wakefield
O C St John Hoare
E A Hopper
M S Alexander

SECRETARY:

L M A Wakefield

REGISTERED OFFICE:

Park View Mills
Wibsey Park Avenue
Wibsey
BRADFORD
West Yorkshire
BD6 3QA

REGISTERED NUMBER:

01362323 (England and Wales)

SENIOR STATUTORY AUDITOR:

Kevin Shotton BA BFP FCA

AUDITORS:

Clive Owen LLP
Chartered Accountants
& Statutory Auditors
140 Coniscliffe Road
DARLINGTON
County Durham
DL3 7RT

Harry Hall International Limited (Registered number: 01362323)

**Balance Sheet
30 April 2020**

	Notes	2020 £	£	2019 £	£
FIXED ASSETS					
Intangible assets	4		206,449		87,545
Tangible assets	5		41,489		207,051
Investments	6		406		406
			<u>248,344</u>		<u>295,002</u>
CURRENT ASSETS					
Stocks	7	51,144		146,221	
Debtors	8	1,908,056		830,843	
Cash at bank and in hand		<u>72,895</u>		<u>48,696</u>	
		2,032,095		1,025,760	
CREDITORS					
Amounts falling due within one year	9	<u>1,294,533</u>		<u>628,288</u>	
NET CURRENT ASSETS			<u>737,562</u>		<u>397,472</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>985,906</u>		<u>692,474</u>
CAPITAL AND RESERVES					
Called up share capital	12		3,634,502		2,023,833
Share premium			3,916,854		3,916,854
Retained earnings			<u>(6,565,450)</u>		<u>(5,248,213)</u>
SHAREHOLDERS' FUNDS			<u>985,906</u>		<u>692,474</u>

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

In accordance with Section 444 of the Companies Act 2006, the Profit and Loss Account has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 19 November 2020 and were signed on its behalf by:

E A Hopper - Director

**Notes to the Financial Statements
for the Year Ended 30 April 2020**

1. STATUTORY INFORMATION

Harry Hall International Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

There were no material departures from that standard.

The financial statements are presented in £ sterling.

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

Going concern

In the year to 30 April 2020 the company made losses of £1,317,237. The company forms part of the International Riding Company Limited group. The company has prepared forecasts for 12 months from the date of approval of the accounts. Taking account of the forecasts the directors believe that they will be able to manage working capital to operate within the facilities available to the company in the period of the review.

The directors have received confirmation from the parent company, International Riding Company Limited, that it will continue to make available financial support as may be required for the 12 months from the date of signing these financial statements.

After making enquiries, 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.

Significant judgements and estimates

In preparing these financial statements, the directors have had to make the following judgements:

Determine whether there are indicators of impairment of the Company's tangible and intangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Notes to the Financial Statements - continued
for the Year Ended 30 April 2020

2. ACCOUNTING POLICIES - continued

Turnover

Turnover represents sales to external customers at invoiced amounts less value added tax or local taxes on sales.

Income recognition

Turnover is recognised on despatch of goods to the customer.

Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer software	- 25% on cost
Product development and intellectual property	- 25% on cost and 33% on cost

Goodwill arising on an acquisition of a subsidiary undertaking is the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long leasehold	- not provided
Plant and machinery	- 25% on cost, 12.5% on cost and 10% on cost
Fixtures and fittings	- 50% on cost, 25% on cost and 10% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 50% on cost, 33% on cost and 25% on cost

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.

The directors consider that the long leasehold property is maintained in such a state of repair that its residual value is at least equal to its net book value. As a result, the corresponding depreciation would not be material and therefore is not charged in the profit and loss account. The directors perform annual impairment reviews in accordance with FRS 102 to ensure that the carrying value is not lower than the recoverable amount.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of average stock. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit and loss.

Financial instruments

Basic financial instruments are measured at amortised cost with changes recognised in profit or loss.

Notes to the Financial Statements - continued
for the Year Ended 30 April 2020

2. **ACCOUNTING POLICIES - continued**

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss Account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is occurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

Foreign currencies

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Preparation of consolidated financial statements

The financial statements contain information about Harry Hall International Limited as an individual company and do not contain consolidated financial information as the member of a group.

Notes to the Financial Statements - continued
for the Year Ended 30 April 2020

2. ACCOUNTING POLICIES - continued

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.

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.

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.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 32 (2019 - 36) .

4. INTANGIBLE FIXED ASSETS

	Goodwill £	Product development and Intellectual property costs £	Computer software £	Totals £
COST				
At 1 May 2019	35,462	189,229	-	224,691
Additions	-	-	107,678	107,678
Disposals	-	-	(286,235)	(286,235)
Reclassification/transfer	-	-	586,356	586,356
At 30 April 2020	<u>35,462</u>	<u>189,229</u>	<u>407,799</u>	<u>632,490</u>
AMORTISATION				
At 1 May 2019	35,462	101,684	-	137,146
Amortisation for year	-	60,626	79,921	140,547
Eliminated on disposal	-	-	(286,235)	(286,235)
Reclassification/transfer	-	-	434,583	434,583
At 30 April 2020	<u>35,462</u>	<u>162,310</u>	<u>228,269</u>	<u>426,041</u>
NET BOOK VALUE				
At 30 April 2020	<u>-</u>	<u>26,919</u>	<u>179,530</u>	<u>206,449</u>
At 30 April 2019	<u>-</u>	<u>87,545</u>	<u>-</u>	<u>87,545</u>

Notes to the Financial Statements - continued
for the Year Ended 30 April 2020

5. TANGIBLE FIXED ASSETS

	Long leasehold £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 May 2019	30,510	58,514	241,389
Additions	-	-	-
Disposals	(30,510)	(58,514)	(132,717)
Reclassification/transfer	-	-	-
At 30 April 2020	-	-	108,672
DEPRECIATION			
At 1 May 2019	30,510	57,531	205,188
Charge for year	-	125	4,487
Eliminated on disposal	(30,510)	(57,656)	(132,717)
Reclassification/transfer	-	-	-
At 30 April 2020	-	-	76,958
NET BOOK VALUE			
At 30 April 2020	-	-	31,714
At 30 April 2019	-	983	36,201

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 May 2019	14,350	694,635	1,039,398
Additions	-	2,338	2,338
Disposals	(14,350)	(72,780)	(308,871)
Reclassification/transfer	-	(586,356)	(586,356)
At 30 April 2020	-	37,837	146,509
DEPRECIATION			
At 1 May 2019	14,350	524,768	832,347
Charge for year	-	10,657	15,269
Eliminated on disposal	(14,350)	(72,780)	(308,013)
Reclassification/transfer	-	(434,583)	(434,583)
At 30 April 2020	-	28,062	105,020
NET BOOK VALUE			
At 30 April 2020	-	9,775	41,489
At 30 April 2019	-	169,867	207,051

Notes to the Financial Statements - continued
for the Year Ended 30 April 2020

6. **FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
COST	
At 1 May 2019	
and 30 April 2020	406
NET BOOK VALUE	
At 30 April 2020	406
At 30 April 2019	406

The following are subsidiary undertakings of the company:

Name	Country of Incorporation	Class of shares	Holding	Principle activity
The Riding Sock Company Limited	England and Wales	Ordinary	100%	Dormant
Matchmakers International Limited	England and Wales	Ordinary	100%	Dormant
Masta Rug Company Limited	England and Wales	Ordinary	100%	Dormant
Harry Hall Limited	England and Wales	Ordinary	100%	Dormant
Caldene Limited	England and Wales	Ordinary	100%	Dormant
Cottage Craft Limited	England and Wales	Ordinary	100%	Dormant

7. **STOCKS**

	2020	2019
	£	£
Finished goods	51,144	146,221

8. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020	2019
	£	£
Trade debtors	9,933	68,060
Amounts owed by group undertakings	1,570,794	533,529
Other debtors	297,904	195,284
Prepayments and accrued income	29,425	33,970
	1,908,056	830,843

9. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020	2019
	£	£
Bank loans and overdrafts	-	5,002
Trade creditors	395,591	331,892
Amounts owed to group undertakings	680,066	-
Taxation and social security	82,028	49,372
Other creditors	19,960	20,612
Accruals and deferred income	116,888	221,410
	1,294,533	628,288

Notes to the Financial Statements - continued
for the Year Ended 30 April 2020

10. **LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2020	2019
	£	£
Within one year	47,460	48,418
Between one and five years	55,000	173,869
In more than five years	195,833	125,000
	<u>298,293</u>	<u>347,287</u>

11. **SECURED DEBTS**

The following secured debts are included within creditors:

	2020	2019
	£	£
Bank overdraft	<u>-</u>	<u>5,002</u>

There is no security in place at the year end. The prior year debts were secured by a fixed and floating charge over the assets of the company. There was a personal guarantee in place of the debts in respect of 2 directors. This was applicable in the event of fraud or wilful misstatement.

12. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2020	2019
			£	£
1,501	Ordinary	£1	1,501	1,501
3,633,001	Ordinary B	£1	3,633,001	2,022,332
			<u>3,634,502</u>	<u>2,023,833</u>

1,601,669 Ordinary B shares of £1 each were allotted and fully paid for cash at par during the year.

13. **DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

The Report of the Auditors was unqualified.

Kevin Shotton BA BFP FCA (Senior Statutory Auditor)
for and on behalf of Clive Owen LLP

14. **CONTINGENT LIABILITIES**

There is a multilateral cross guarantee in place between the company and International Riding Company Limited, the parent undertaking. At 30 April 2020 the bank borrowings of International Riding Company Limited amounted to £nil (2019: £nil).

The company has a HMRC bond and the contingent obligation at the end of the year amounted to £80,000 (2019: £80,000). This bond has been released since the year end.

**Notes to the Financial Statements - continued
for the Year Ended 30 April 2020**

15. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

16. ULTIMATE PARENT COMPANY

The ultimate parent undertaking is International Riding Company Limited, a company incorporated in England and Wales. The registered office of International Riding Company Limited is Park View Mills, Wibsey Park Avenue, Wibsey, Bradford, West Yorkshire, BD6 3QA.

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.