

**HART & WILCOX LIMITED**

**UNAUDITED**

**FINANCIAL STATEMENTS**

**PAGES FOR FILING WITH REGISTRAR**

**FOR THE YEAR ENDED 31 MARCH 2017**

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**HART & WILCOX LIMITED**

REGISTERED NUMBER:02426790

**BALANCE SHEET  
AS AT 31 MARCH 2017**

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	4	<u>228,288</u>	<u>258,296</u>
		<b>228,288</b>	258,296
<b>Current assets</b>			
Debtors: amounts falling due within one year	5	1,669,755	3,765,255
Bank and cash balances		<u>1,157,353</u>	<u>816,606</u>
		<b>2,827,108</b>	4,581,861
Creditors: amounts falling due within one year	6	<u>(1,500,983)</u>	<u>(939,695)</u>
<b>Net current assets</b>		<u>1,326,125</u>	<u>3,642,166</u>
<b>Total assets less current liabilities</b>		<u>1,554,413</u>	<u>3,900,462</u>
Creditors: amounts falling due after more than one year	7	(1,148)	(11,586)
<b>Provisions for liabilities</b>			
Deferred tax		<u>(22,836)</u>	<u>(22,310)</u>
		<b>(22,836)</b>	<b>(22,310)</b>
<b>Net assets</b>		<u><u>1,530,429</u></u>	<u><u>3,866,566</u></u>

# HART & WILCOX LIMITED

REGISTERED NUMBER:02426790

## BALANCE SHEET (CONTINUED) AS AT 31 MARCH 2017

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	Note	2017 £	2016 £
<b>Capital and reserves</b>			
Called up share capital		100	100
Profit and loss account	8	1,530,329	3,866,466
		<u>1,530,429</u>	<u>3,866,566</u>

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 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 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 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:

**Mr S P Hill**

Director

Date: 6 October 2017

The notes on pages 3 to 10 form part of these financial statements.

**Mr S R Brooks**

Director

# HART & WILCOX LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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### 1. General information

Hart & Wilcox Limited is a private company limited by share capital, incorporated in England and Wales, registration number 02426790. The address of the registered office is Concept House, Tendring Park, Colchester Road, Tendring, Essex, United Kingdom, CO16 9AA.

### 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 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

##### Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

#### 2.3 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.

# HART & WILCOX LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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### 2. Accounting policies (continued)

#### 2.3 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:

Plant and machinery	-
	15% on cost
Motor vehicles	-
	25% on cost
Computer equipment	-
	50% on cost

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 Profit and Loss Account.

#### 2.4 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.

#### 2.5 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.

#### 2.6 Financial instruments

The Company only enters into basic financial instruments 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 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.

# HART & WILCOX LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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### 2. Accounting policies (continued)

#### 2.7 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.

#### 2.8 Foreign currency translation

##### Functional and presentation currency

The Company's functional and presentational currency is GBP.

##### Transactions and balances

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.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Profit and Loss Account except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Profit and Loss Account within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Profit and Loss Account within 'other operating income'.

#### 2.9 Finance costs

Finance costs are charged to the Profit and Loss Account 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.

#### 2.10 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

# HART & WILCOX LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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### 2. Accounting policies (continued)

#### 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 Profit and Loss Account 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.

#### 2.12 Interest income

Interest income is recognised in the Profit and Loss Account using the effective interest method.

#### 2.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Profit and Loss Account in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

# HART & WILCOX LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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### 2. Accounting policies (continued)

#### 2.14 Current and deferred 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.

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 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 31 (2016 - 29).



# HART & WILCOX LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

### 4. Tangible fixed assets

	Plant and machinery etc £
<b>Cost or valuation</b>	
At 1 April 2016	650,637
Additions	109,700
Disposals	(120,950)
At 31 March 2017	639,387
<b>Depreciation</b>	
At 1 April 2016	392,341
Charge for the year on owned assets	114,627
Disposals	(95,869)
At 31 March 2017	411,099
<b>Net book value</b>	
At 31 March 2017	228,288
At 31 March 2016	258,296

# HART & WILCOX LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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### 5. Debtors

	2017 £	2016 £
Trade debtors	1,530,570	472,305
Amounts owed by parent company	-	3,059,572
Other debtors	139,185	233,378
	<u>1,669,755</u>	<u>3,765,255</u>

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

	2017 £	2016 £
Trade creditors	265,666	134,320
Amounts owed to parent company	487,975	-
Corporation tax	206,223	252,464
Other creditors	541,119	552,911
	<u>1,500,983</u>	<u>939,695</u>

### 7. Creditors: Amounts falling due after more than one year

	2017 £	2016 £
Obligations under finance leases and hire purchase contracts	1,148	11,586
	<u>1,148</u>	<u>11,586</u>

### 8. Reserves

#### Profit and loss account

The profit and loss account for the year comprises of dividends paid and post tax profits.

### 9. Pension commitments

The Company operates a defined contributions 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 £2,664 (2016 - £Nil). Contributions totalling £1,053 (2016 - £Nil) were payable to the fund at the balance sheet date.

# HART & WILCOX LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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### 10. Commitments under operating leases

At 31 March 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	3,348	-
Later than 1 year and not later than 5 years	-	6,696
	<u>3,348</u>	<u>6,696</u>

### 11. Related party transactions

Included within creditors at the year end is £487,975 (2016: debtors £3,059,572) which relates to an interest free loan from the parent company. There is no scheduled terms of repayment and the amount is repayable on demand.

### 12. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

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