

Company Registration No. 02637000 (England and Wales)

HALCYON DRIVES LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2019
PAGES FOR FILING WITH REGISTRAR

HALCYON DRIVES LIMITED

CONTENTS

	Page
Balance sheet	1 - 2
Notes to the financial statements	3 - 8

HALCYON DRIVES LIMITED

BALANCE SHEET

AS AT 31 MAY 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	3		125,633		94,094
Investments	4		19,000		19,000
			<u>144,633</u>		<u>113,094</u>
Current assets					
Stocks		576,508		381,113	
Debtors	5	1,490,456		1,305,105	
Cash at bank and in hand		29,637		19,928	
		<u>2,096,601</u>		<u>1,706,146</u>	
Creditors: amounts falling due within one year	6	<u>(1,830,398)</u>		<u>(1,604,912)</u>	
Net current assets			<u>266,203</u>		<u>101,234</u>
Total assets less current liabilities			<u>410,836</u>		<u>214,328</u>
Creditors: amounts falling due after more than one year	7		(42,023)		(25,262)
Provisions for liabilities			<u>(23,870)</u>		<u>(17,878)</u>
Net assets			<u><u>344,943</u></u>		<u><u>171,188</u></u>
Capital and reserves					
Called up share capital	8		420		420
Capital redemption reserve			34		34
Profit and loss reserves			<u>344,489</u>		<u>170,734</u>
Total equity			<u><u>344,943</u></u>		<u><u>171,188</u></u>

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

HALCYON DRIVES LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MAY 2019

For the financial year ended 31 May 2019 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 year ended 31 May 2018 in accordance with section 476 of the Companies Act 2006.

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

The financial statements were approved by the board of directors and authorised for issue on 3 October 2019 and are signed on its behalf by:

Mr G C Thorpe
Director

Company Registration No. 02637000

HALCYON DRIVES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2019

1 Accounting policies

Company information

Halcyon Drives Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 2, 7 Butler Way, Stanningley, Leeds, West Yorkshire, LS28 6EA.

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. The principal accounting policies adopted are set out below.

1.2 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.

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.

1.3 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:

Land and buildings Leasehold	Straight line over the life of the lease
Plant and machinery	15% reducing balance
Fixtures, fittings & equipment	15% reducing balance
Computer equipment	33% straight line
Motor vehicles	25% reducing balance

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.

1.4 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.

HALCYON DRIVES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2019

1 Accounting policies

(Continued)

1.5 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.

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.

1.6 Cash and cash equivalents

Cash at bank and in hand 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.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price.

Other financial assets

A financial asset held as an equity instrument is recognised initially at the transaction price (including transaction costs).

At the end of each reporting period, unlisted equity investments are recorded at fair value, where appropriate, or at cost less impairment if their fair value cannot be reliably measured. Objective evidence of the impairment of financial assets is assessed at each period end and any impairment loss recognised in the profit or loss immediately. Impairment loss is calculated as the difference between the carrying amount of the instrument and the best estimate of the cash flows expected to be derived from the asset (including sales proceeds if sold) at the balance sheet date.

Investment income is recognised in the financial statements when the company becomes entitled to its share of profits from the financial instrument.

Classification of financial liabilities

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 company after deducting all of its liabilities.

Basic financial liabilities, including trade, other payables and bank loans that are classified as debt, are initially recognised at transaction price.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

HALCYON DRIVES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2019

1 Accounting policies

(Continued)

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

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.

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

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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.

HALCYON DRIVES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2019

1 Accounting policies

(Continued)

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 34 (2018 - 33).

3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 June 2018	4,889	480,092	484,981
Additions	-	63,355	63,355
Disposals	-	(61,162)	(61,162)
At 31 May 2019	4,889	482,285	487,174
Depreciation and impairment			
At 1 June 2018	4,560	386,328	390,888
Depreciation charged in the year	328	27,882	28,210
Eliminated in respect of disposals	-	(57,557)	(57,557)
At 31 May 2019	4,888	356,653	361,541
Carrying amount			
At 31 May 2019	1	125,632	125,633
At 31 May 2018	329	93,765	94,094

4 Fixed asset investments

	2019 £	2018 £
Investments	19,000	19,000

HALCYON DRIVES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2019

4 Fixed asset investments (Continued)

Movements in fixed asset investments

	Investments other than loans £
Cost or valuation	
At 1 June 2018 & 31 May 2019	19,000
Carrying amount	
At 31 May 2019	19,000
At 31 May 2018	19,000

5 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	1,477,562	1,291,687
Other debtors	12,894	13,417
	<u>1,490,456</u>	<u>1,305,104</u>

6 Creditors: amounts falling due within one year

	2019 £	2018 £
Bank loans and overdrafts	134,504	354,096
Trade creditors	1,247,970	929,846
Taxation and social security	107,552	116,276
Other creditors	340,372	204,694
	<u>1,830,398</u>	<u>1,604,912</u>

7 Creditors: amounts falling due after more than one year

	2019 £	2018 £
Other creditors	<u>42,023</u>	<u>25,262</u>

Included in creditors within and over one year are secured amounts totalling £184,804 (2018: £383,353).

HALCYON DRIVES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2019

8 Called up share capital

	2019	2018
	£	£
Ordinary share capital		
Issued and fully paid		
837 Ordinary shares of 50p each	418	418
1 Ordinary C shares of £1 each	1	1
1 Ordinary D Shares of £1 each	1	1
	<u>420</u>	<u>420</u>

9 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2019	2018
£	£
<u>284,657</u>	<u>400,358</u>

10 Financial commitments, guarantees and contingent liabilities

The company is a member of Leupraza LLP and is liable to contribute to the assets of the LLP in the event of a winding up before 1st June 2021. The maximum liability in relation to this undertaking is £115,000. The company does not believe that a winding-up of the LLP is probable and has not made provision for the liability at 31 May 2019.

11 Related party transactions

The company paid rent of £85,000 (2018: £85,000) to Kingfisher Partnership, a partnership of which the directors are partners.

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.