

Company registration number 02802131 (England and Wales)

HANSENGROUP LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021



HANSENGROUP LIMITED

COMPANY INFORMATION

Directors	H M K Hansen T B Andersen	(Appointed 25 March 2021)
Secretary	J Mitchell	
Company number	02802131	
Registered office	Units 64-65t Enterprise Park Sunderland SR5 2TA	
Auditor	MHA Moore and Smalley Sixth Floor 80 Mosley Street Manchester M2 3FX	

HANSENGROUP LIMITED

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HANSENGROUP LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 JUNE 2021

The directors present the strategic report for the year ended 30 June 2021.

Fair review of the business

As a consequence of challenging market conditions due to Covid-19, two of the company's subsidiaries, HSHansen Ltd and AccentHansen Ltd, were placed into administration in October 2021. These financial statements include impairment charges of £1,468,485 and loan provisions of £1,543,945.

During the year the company disposed of its investment in Hansens NW Limited for total consideration of £597,000.

Certain contracts previously held by HSHansen have been transferred to HansenGroup Limited which has become a trading entity rather than a holding company.

The company has strengthened its market position since the reorganisation and is showing progress on all parameters. The re-organisation from last finance year is now starting to filter through with better customer relationships, better execution, better systems and increased turnover. We expect this trend to continue.

Principal risks and uncertainties

The group has some financial and operational risks with foreign exchange rates and credit risk - all being carefully considered, planned and negotiated prior to contract signing.

Development and performance

The group continues to develop products that meet the needs of the customer

Key performance indicators

As noted above, the company has taken on contracts previously held by HSHansen Limited. As a result turnover has increased from £nil in the year ended 30 June 2020 to £1,195,426 in the year ended 30 June 2021. Gross profit of £215,177 has been generated in the year, compared to a gross loss of £7,543 in the prior year.

The company has implemented and is continuing to develop a cloud based IT system so all information is available for everyone at any given time. This information covers everything from sales forecast, order intake, execution to anticipated sales output, margins, cost budgets, production planning, ETB etc. Further, there is a management meeting held every month where all managers are updated, in depth, on all relevant areas of the group.

Covid-19

The Covid-19 pandemic and the associated consequences for the British and Global economy in 2020/21 can have a negative effect on the company's financial performance in the coming year. At the date of signing it is not possible to assess the full extent.

On behalf of the board

T B Andersen
Director

30 June 2022

HANSENGROUP LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2021

The directors present their annual report and financial statements for the year ended 30 June 2021.

Principal activities

The activity of the company has expanded from providing management services to the group to providing curtain wall, commercial windows, fire resistant and structural glazing and steel doors and glass installation services.

Results and dividends

The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

H M K Hansen

T B Andersen

(Appointed 25 March 2021)

Future developments

The company is developing in accordance with a re-focused and more selective market strategy. The company is expected to significantly increase its activity compared to 2020/21 by further utilising intergroup competitive advantages.

Auditor

MHA Moore and Smalley were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

HANSENGROUP LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

T B Andersen
Director

30 June 2022

HANSENGROUP LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HANSENGROUP LIMITED

Opinion

We have audited the financial statements of HansenGroup Limited (the 'company') for the year ended 30 June 2021 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

HANSENGROUP LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF HANSENGROUP LIMITED

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud, are detailed below:

- enquiries with management, about any known or suspected instances of non-compliance with laws and regulations or fraud within the business;
- challenging assumptions and judgements made by management in their key accounts estimates, in particular in relation to provisions and future performance in light of the impact of Covid-19;
- auditing the risk of management override of controls, including thorough testing journal entries and other adjustments made by management for appropriateness; and
- reviewing board minutes and legal and professional expenditure to identify any evidence of ongoing litigation or enquiries.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

HANSENGROUP LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF HANSENGROUP LIMITED

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Alexander Kelly (Senior Statutory Auditor)
For and on behalf of MHA Moore and Smalley
Chartered Accountants
Statutory Auditor

Sixth Floor
80 Mosley Street
Manchester
M2 3FX

30 June 2022

HANSENGROUP LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 30 JUNE 2021**

	Notes	2021 £	2020 £
Turnover	3	1,195,426	-
Cost of sales		(980,249)	(7,543)
Gross profit/(loss)		<u>215,177</u>	<u>(7,543)</u>
Administrative expenses		(469,926)	(350,989)
Operating loss	4	<u>(254,749)</u>	<u>(358,532)</u>
Interest receivable and similar income	7	40,925	101,116
Interest payable and similar expenses	9	(757)	(4,782)
Other gains and losses	8	(2,415,430)	-
Loss before taxation		<u>(2,630,011)</u>	<u>(262,198)</u>
Tax on loss	10	48,222	(15,172)
Loss for the financial year		<u><u>(2,581,789)</u></u>	<u><u>(277,370)</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

HANSENGROUP LIMITED**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2021**

	2021	2020
	£	£
Loss for the year	(2,581,789)	(277,370)
Other comprehensive income	-	-
	<hr/>	<hr/>
Total comprehensive income for the year	(2,581,789)	(277,370)
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HANSENGROUP LIMITED**BALANCE SHEET****AS AT 30 JUNE 2021**

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	11		48,529		89,924
Investments	12		-		1,470,776
			<u>48,529</u>		<u>1,560,700</u>
Current assets					
Debtors	14	450,493		3,446,488	
Cash at bank and in hand		32,300		358,519	
		<u>482,793</u>		<u>3,805,007</u>	
Creditors: amounts falling due within one year	15	(2,174,238)		(4,426,834)	
Net current liabilities			<u>(1,691,445)</u>		<u>(621,827)</u>
Net (liabilities)/assets			<u>(1,642,916)</u>		<u>938,873</u>
Capital and reserves					
Called up share capital	17		1,275,002		1,275,002
Share premium account			3,400,000		3,400,000
Profit and loss reserves			(6,317,918)		(3,736,129)
Total equity			<u>(1,642,916)</u>		<u>938,873</u>

The financial statements were approved by the board of directors and authorised for issue on 30 June 2022 and are signed on its behalf by:

T B Andersen
Director

Company Registration No. 02802131

HANSENGROUP LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2021

	Share capital	Share premium account	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 July 2019	1,275,002	3,400,000	(3,458,759)	1,216,243
Year ended 30 June 2020:				
Loss and total comprehensive income for the year	-	-	(277,370)	(277,370)
Balance at 30 June 2020	1,275,002	3,400,000	(3,736,129)	938,873
Year ended 30 June 2021:				
Loss and total comprehensive income for the year	-	-	(2,581,789)	(2,581,789)
Balance at 30 June 2021	1,275,002	3,400,000	(6,317,918)	(1,642,916)

HANSENGROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

Company information

HansenGroup Limited is a private company limited by shares incorporated in England and Wales. The registered office is Units 64-65t, Enterprise Park, Sunderland, SR5 2TA.

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.

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.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of HansenGroup A/S. These consolidated financial statements are available from its registered office, Bredgade 4, 6940 Lem st., Denmark.

HANSENGROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of HansenGroup A/S. As Hansengroup Limited are included within the accounts of a larger group they are exempt from preparing group accounts. These consolidated financial statements are available from its registered office, Bredgade 4, 6940 Lem st., Denmark.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The directors are aware of the increased uncertainties in the British and Global market since the outbreak of the Covid-19 pandemic.

As a consequence of this increased uncertainty it is more difficult to precisely forecast the coming quarters. It is currently uncertain how long these issues will affect the company, the industry it operates in and the wider economy. Should the company require additional support, the parent undertaking HansenGroup A/S has confirmed that its intention is to make it available, subject to considerations around the global Covid-19 pandemic.

The directors believe that there is no material uncertainty and that the company is a going concern at this time.

1.3 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.

HANSENGROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

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.

1.4 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	5 - 7 years
Fixtures and fittings	3 - 5 years
Motor vehicles	3 - 5 years

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.

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

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.

HANSENGROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

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 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.

1.8 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 initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

HANSENGROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

HANSENGROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.9 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.

1.10 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.

HANSENGROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

1.11 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.

1.12 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 in the period are included in profit or loss.

HANSENGROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Contract accounting

The company's revenue and profit recognition policies are central to the way the company values its work each year and have been consistently applied.

The key judgements and estimates in determining the turnover and profits of the contracts are the costs to complete, achieving the agreed contractual program and recoverability of any claims or variations.

The estimation uncertainty is reduced by the significant experience of the team which includes qualified quantity surveyors. Nevertheless, profit recognition is a key estimate and is inherently judgemental in any contracting business.

Impairment of investment in subsidiaries

Management consider whether investments in subsidiaries are impaired on an annual basis. Where an indication of impairment is identified the estimation of recoverable value requires estimation of the recoverable value of the cash-generating units (CGUs). This requires estimation of the future cash flows from the CGUs and also selection of appropriate discount rates in order to calculate the net present value of those cash flows.

Recoverability of intercompany debtor balances

Where evidence exists that investments in subsidiaries are impaired, management consider whether the intercompany debtors due from the subsidiary are recoverable based on future profitability of the subsidiary undertakings.

3 Turnover and other revenue

	2021	2020
	£	£
Turnover analysed by class of business		
Contract revenue recognised as revenue	1,195,426	-
	<u> </u>	<u> </u>
	2021	2020
	£	£
Other revenue		
Interest income	40,925	101,116
	<u> </u>	<u> </u>

HANSENGROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2021****4 Operating loss**

	2021	2020
	£	£
Operating loss for the year is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	41,395	43,610
Profit on disposal of tangible fixed assets	-	(4,802)
	<u>41,395</u>	<u>(4,802)</u>

5 Auditor's remuneration

	2021	2020
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	11,784	1,350
Audit of the financial statements of the company's subsidiaries	-	675
	<u>11,784</u>	<u>2,025</u>

6 Employees

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

2021	2020
Number	Number
1	1
<u>1</u>	<u>1</u>

7 Interest receivable and similar income

	2021	2020
	£	£
Interest income		
Interest receivable from group companies	40,925	101,116
	<u>40,925</u>	<u>101,116</u>

8 Other gains and losses

	2021	2020
	£	£
Gain on disposal of fixed asset investments	597,000	-
Amounts written off current loans	(1,543,945)	-
Impairment of fixed asset investment	(1,468,485)	-
	<u>(2,415,430)</u>	<u>-</u>

HANSENGROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

9 Interest payable and similar expenses

	2021	2020
	£	£
Interest on bank overdrafts and loans	153	4,782
Interest payable to group undertakings	604	-
	<u>757</u>	<u>4,782</u>

10 Taxation

	2021	2020
	£	£
Current tax		
Adjustments in respect of prior periods	(15,172)	15,172
	<u></u>	<u></u>
Deferred tax		
Origination and reversal of timing differences	702,537	-
Changes in tax rates	(7,932)	-
Adjustment in respect of prior periods	(727,655)	-
	<u>(33,050)</u>	<u>-</u>
Total deferred tax		
	<u>(33,050)</u>	<u>-</u>
Total tax (credit)/charge	<u>(48,222)</u>	<u>15,172</u>

The actual (credit)/charge for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2021	2020
	£	£
Loss before taxation	<u>(2,630,011)</u>	<u>(262,198)</u>
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	(499,702)	(49,818)
Tax effect of expenses that are not deductible in determining taxable profit	461,256	1,324
Unutilised tax losses carried forward	740,983	48,260
Adjustments in respect of prior years	(742,827)	15,172
Effect of change in corporation tax rate	(7,932)	-
Group relief	-	234
	<u>(48,222)</u>	<u>15,172</u>
Taxation (credit)/charge for the year		
	<u>(48,222)</u>	<u>15,172</u>

The company has tax losses of £3,899,911 available for use against future trading profits. No deferred tax asset has been recognised in relation to these losses due to the uncertainty of future trading profits.

HANSENGROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

11 Tangible fixed assets

	Plant and equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 July 2020	103,091	205,049	153,490	461,630
Disposals	(103,091)	(102,220)	(125,000)	(330,311)
At 30 June 2021	-	102,829	28,490	131,319
Depreciation and impairment				
At 1 July 2020	103,091	136,492	132,123	371,706
Depreciation charged in the year	-	34,272	7,123	41,395
Eliminated in respect of disposals	(103,091)	(102,220)	(125,000)	(330,311)
At 30 June 2021	-	68,544	14,246	82,790
Carrying amount				
At 30 June 2021	-	34,285	14,244	48,529
At 30 June 2020	-	68,557	21,367	89,924

12 Fixed asset investments

	Notes	2021 £	2020 £
Investments in subsidiaries	13	-	1,470,776

HANSENGROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

12 Fixed asset investments (Continued)

Movements in fixed asset investments

	Shares in subsidiaries £
Cost or valuation	
At 1 July 2020	1,470,776
Disposals	(2,291)
At 30 June 2021	1,468,485
Impairment	
At 1 July 2020	-
Impairment losses	1,468,485
At 30 June 2021	1,468,485
Carrying amount	
At 30 June 2021	-
At 30 June 2020	1,470,776

The impairment losses relate to the investment values in HSHansen Limited and AccentHansen Limited which have been written off due to both subsidiaries going into administration in September 2021.

On 5 October 2021 the company sold 100% of its investment in Hansens NW Limited to HansenGroup A/S for total consideration of £597,000.

13 Subsidiaries

Details of the company's subsidiaries at 30 June 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
HSHansen Limited	UK	Development of building projects	Ordinary	100.00
AccentHansen Limited	UK	Manufacturing steel doors	Ordinary	100.00

HANSENGROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

14 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	107,610	-
Amounts owed by group undertakings	167,313	3,364,606
Other debtors	142,520	81,882
	<u>417,443</u>	<u>3,446,488</u>
Deferred tax asset (note 16)	33,050	-
	<u>450,493</u>	<u>3,446,488</u>

15 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	29,407	-
Amounts owed to group undertakings	2,126,563	4,389,038
Corporation tax	-	15,172
Accruals and deferred income	18,268	22,624
	<u>2,174,238</u>	<u>4,426,834</u>

16 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Assets 2021 £	Assets 2020 £
Balances:		
Accelerated capital allowances	<u>33,050</u>	<u>-</u>
Movements in the year:		2021 £
Liability at 1 July 2020		-
Credit to profit or loss		(33,050)
Asset at 30 June 2021		<u>(33,050)</u>

The deferred tax asset set out above is expected to reverse within 12 months and relates to the utilisation of tax losses against future expected profits of the same period.

HANSENGROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

17 Share capital

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	1,275,002	1,275,002	1,275,002	1,275,002

18 Ultimate controlling party

The parent undertaking and controlling related party of this company is HansenGroup A/S incorporated in Denmark. The registered office of HansenGroup A/S is Bredgade 4, 6940 Lem st., Denmark. The ultimate controlling party is H M K Hansen.

These results will be consolidated in the group accounts of HansenGroup A/S which are publicly available.

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.