

COMPANIES HOUSE COPY

**The Hay Hall Group Limited**

Report and Financial Statements

Year Ended

31 December 2013

Company Number 3141672



# **The Hay Hall Group Limited**

## **Report and financial statements for the year ended 31 December 2013**

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### **Directors**

C Storch  
C R Christenson

### **Secretary and registered office**

R I Laws, Cannon Way, Dewsbury, West Yorks, WF13 1EH

### **Company number**

3141672

### **Auditors**

BDO LLP, 125 Colmore Row, Birmingham, B3 3SD

# The Hay Hall Group Limited

## Strategic report for the year ended 31 December 2013

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The directors present their strategic report together with the audited financial statements for the year ended 31 December 2013.

### Principal activities and review of the business

The principal activity of the company is that of an intermediate holding company within the Warner Electric UK Group.

### Key performance indicators

As a holding company the company does not have any significant key performance indicators.

### Principal risks and uncertainties

As a holding company the principal risks and uncertainties are driven by the performance of the subsidiary entities.

On behalf of the board



C Storch  
Director

12 SEPTEMBER 2014

# **The Hay Hall Group Limited**

## **Report of the directors for the year ended 31 December 2013**

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The directors present their report together with the audited financial statements for the year ended 31 December 2013.

### **Results and dividends**

The profit and loss account is set out on page 6 and shows the profit for the year.

Interim dividends of £12,400 per share were paid to ordinary shareholders during the year. The directors do not recommend the payment of a final dividend.

### **Indemnity cover**

The directors benefitted from the third party indemnity provisions in place during the financial year and at the date of this report.

### **Directors**

The directors of the company during the year were:

C Storch  
C R Christenson

### **Directors' responsibilities**

The directors are responsible for preparing the strategic report, the directors' 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.

# The Hay Hall Group Limited

## Report of the directors for the year ended 31 December 2013 (*continued*)

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### Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

On behalf of the board



C Storch  
Director

12 SEPTEMBER 2014

# **The Hay Hall Group Limited**

## **Independent auditor's report**

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### **To the members of The Hay Hall Group Limited**

We have audited the financial statements of The Hay Hall Group Limited for the year ended 31 December 2013 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

### **Respective responsibilities of directors and auditors**

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its profit 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.

### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# The Hay Hall Group Limited


## Independent auditor's report (*continued*)

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### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

  
Thomas Lawton (senior statutory auditor)  
For and on behalf of BDO LLP, statutory auditor  
Birmingham  
United Kingdom

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# The Hay Hall Group Limited

## Profit and loss account for the year ended 31 December 2013

	Note	2013 £'000	2012 £'000
Administrative expenses		50	442
		(50)	(442)
Other operating income		130	130
<b>Operating profit/(loss)</b>	2	80	(312)
Dividends from shares in group undertakings		284	10,223
Other interest receivable and similar income	3	71	101
<b>Profit on ordinary activities before taxation</b>		435	10,012
Taxation on profit on ordinary activities	4	47	124
<b>Profit on ordinary activities after taxation</b>		388	9,888

All amounts relate to continuing activities.

All recognised gains and losses in the current and prior year are included in the profit and loss account.

The notes on pages 8 to 14 form part of these financial statements.

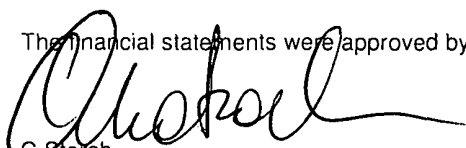


# The Hay Hall Group Limited

## Balance sheet at 31 December 2013

<i>Company number 3141672</i>	Note	2013 £'000	2013 £'000	2012 £'000	2012 £'000
<b>Fixed assets</b>					
Tangible assets	6		1,182		1,220
Fixed asset investments	7		15,252		15,252
			<u>16,434</u>		<u>16,472</u>
<b>Current assets</b>					
Debtors	8	4,826		4,788	
Cash at bank and in hand		6		12,023	
		<u>4,832</u>		<u>16,811</u>	
<b>Creditors: amounts falling due within one year</b>	9	47		4	
		<u>47</u>		<u>4</u>	
<b>Net current assets</b>			<u>4,785</u>		<u>16,807</u>
<b>Total assets less current liabilities</b>			<u>21,219</u>		<u>33,279</u>
<b>Creditors: amounts falling due after more than one year</b>	10		2,034		2,082
			<u>19,185</u>		<u>31,197</u>
<b>Capital and reserves</b>					
Capital contribution reserve	12		9,507		19,507
Profit and loss account	12		9,678		11,690
			<u>19,185</u>		<u>31,197</u>
<b>Shareholders' funds</b>	13		<u>19,185</u>		<u>31,197</u>

The financial statements were approved by the board of directors and authorised for issue on 12 SEPTEMBER 2014

  
C. Storch  
Director

The notes on pages 8 to 14 form part of these financial statements.

# The Hay Hall Group Limited

## Notes forming part of the financial statements for the year ended 31 December 2013

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### 1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

The following principal accounting policies have been applied:

#### *Consolidated financial statements*

The financial statements contain information about The Hay Hall Group Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken advantage of the exemption conferred by section 401 of the Companies Act 2006 not to produce consolidated financial statements as it is included in non-EEA group accounts of a larger group.

#### *Cash flow statement*

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 'Cash Flow Statements (Revised 1996)' not to prepare a cash flow statement on the grounds that at least 90% of the voting rights in the company are controlled within the group headed by Altra Holdings Inc. and the company is included in consolidated financial statements.

#### *Depreciation*

Depreciation is provided to write off the cost, less estimated residual values, of all tangible fixed assets, except for freehold land, evenly over their expected useful lives. It is calculated at the following rates:

Freehold property - 10 years

#### *Fixed Asset Investments*

Fixed asset investments are shown at cost less provision for impairment.

#### *Taxation*

Corporation tax payable is provided on taxable profits at the current rate. Payment is made for group relief surrendered.

#### *Deferred taxation*

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 the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

#### *Foreign currency*

Foreign currency transactions are translated into sterling at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet date. Any differences are taken to the profit and loss account.

# The Hay Hall Group Limited

Notes forming part of the financial statements  
for the year ended 31 December 2013 (*continued*)

## 2 Operating profit/(loss)

	2013 £'000	2012 £'000
This is arrived at after charging:		
Depreciation of tangible fixed assets	38	49
	<u>          </u>	<u>          </u>

## 3 Other interest receivable and similar income

	2013 £'000	2012 £'000
Bank deposits	71	12
Loans to group companies	-	89
	<u>          </u>	<u>          </u>
	71	101
	<u>          </u>	<u>          </u>

# The Hay Hall Group Limited

Notes forming part of the financial statements  
for the year ended 31 December 2013 (*continued*)

## 4 Taxation on profit on ordinary activities

	2013 £'000	2012 £'000
<i>UK Corporation tax</i>		
Adjustment in respect of previous periods	(17)	-
Group relief	64	112
	<hr/>	<hr/>
Total current tax	47	112
<i>Deferred tax</i>		
Origination and reversal of timing differences	-	12
	<hr/>	<hr/>
Taxation on profit on ordinary activities	47	124
	<hr/>	<hr/>

The tax assessed for the year is lower than the standard rate of corporation tax in the UK applied to profit before tax. The differences are explained below:

	2013 £'000	2012 £'000
Profit on ordinary activities before tax	435	10,012
	<hr/>	<hr/>
Profit on ordinary activities at the standard rate of corporation tax in the UK of 23.25% (2012 - 24.5%)	101	2,453
Effect of:		
Expenses not deductible for tax purposes	9	259
Non taxable income	(66)	(2,658)
Utilisation of tax losses	-	(12)
Adjustment to tax charge in respect of previous periods	(17)	-
Transfer pricing	20	70
	<hr/>	<hr/>
Current tax charge for the year	47	112
	<hr/>	<hr/>

### *Factors that may affect future tax charges*

The UK main corporation tax rate was reduced to 23% from 24%, taking effect from 1 April 2013. Two further rate cuts to 21% and finally to 20% are due to come into effect on 1 April 2014 and 1 April 2015 respectively. The reduction to 21% and then 20% was substantively enacted on 2 July 2013.

These rate changes will reduce the company's future current tax charge accordingly.

# The Hay Hall Group Limited

Notes forming part of the financial statements  
for the year ended 31 December 2013 (*continued*)

## 5 Dividends

	2013 £'000	2012 £'000
Ordinary shares		
Interim paid of £12,400,000 (2012 - £nil) per share	12,400	-
	<u>          </u>	<u>          </u>

## 6 Tangible fixed assets

	Freehold land and buildings £'000
<i>Cost</i>	
At 1 January 2013 and 31 December 2013	1,350
	<u>          </u>
<i>Depreciation</i>	
At 1 January 2013	130
Provided for the year	38
	<u>          </u>
At 31 December 2013	168
	<u>          </u>
<i>Net book value</i>	
At 31 December 2013	1,182
	<u>          </u>
At 31 December 2012	1,220
	<u>          </u>

# The Hay Hall Group Limited

Notes forming part of the financial statements  
for the year ended 31 December 2013 (*continued*)

## 7 Fixed asset investments

	Group undertakings £'000
<i>Cost</i>	
At 1 January 2013 and 31 December 2013	17,052
<i>Provisions</i>	
At 1 January 2013 and 31 December 2013	1,800
<i>Net book value</i>	
At 31 December 2012 and 31 December 2013	15,252

### *Subsidiary undertakings and other investments*

The principal undertakings in which the company's interest at the year end is 20% or more are as follows:

	Country of incorporation or registration	Class of share capital held	Proportion of share capital held
<b>Trading companies</b>			
Matrix International Limited	England	Ordinary	100%
Twiflex Limited	England	Ordinary	100%
Bibby Transmissions Limited	England	Ordinary	100%
Huco Engineering Industries Limited	England	Ordinary	100%
Bauer Gear Motor Limited	England	Ordinary	100%
Matrix International GmbH	Germany	Ordinary	100%
Bibby Turboflex SA	South Africa	Ordinary	100%
Rathi Turboflex Pty Limited	India	Ordinary	50%
<b>Holding companies</b>			
Bibby Group Limited	England	Ordinary	100%
Huco Power Transmission Limited	England	Ordinary	100%
<b>Non trading companies</b>			
Saftek Limited	England	Ordinary	100%
Turboflex Limited	England	Ordinary	100%
Torsiflex Limited	England	Ordinary	100%
Dynatork Air Motors Limited	England	Ordinary	100%
Dynatork Limited	England	Ordinary	100%

The principal activity of all of the above trading companies is the design, manufacture and supply of industrial brakes, couplings and clutches for a variety of industrial motion applications.

# The Hay Hall Group Limited

Notes forming part of the financial statements  
for the year ended 31 December 2013 (*continued*)

## 8 Debtors

	2013 £'000	2012 £'000
Amounts receivable after more than one year		
Amounts owed by group undertakings	4,826	4,788
	<u>          </u>	<u>          </u>

## 9 Creditors: amounts falling due within one year

	2013 £'000	2012 £'000
Accruals and deferred income	47	4
	<u>          </u>	<u>          </u>

## 10 Creditors: amounts falling due after more than one year

	2013 £'000	2012 £'000
Amounts owed to group undertakings	2,034	2,082
	<u>          </u>	<u>          </u>

## 11 Share capital

	2013 £	2012 £
<i>Allotted, called up and fully paid</i>		
1 Ordinary share of £1 each	1	1
	<u>          </u>	<u>          </u>

## 12 Reserves

	Capital contribution reserve £'000	Profit and loss account £'000
At 1 January 2013	19,507	11,690
Profit for the year	-	388
Dividends	-	(12,400)
Transfers	(10,000)	10,000
	<u>          </u>	<u>          </u>
At 31 December 2013	9,507	9,678
	<u>          </u>	<u>          </u>

# The Hay Hall Group Limited

Notes forming part of the financial statements  
for the year ended 31 December 2013 (*continued*)

## 13 Reconciliation of movements in shareholders' funds

	2013 £'000	2012 £'000
Profit for the year	388	9,888
Dividends	(12,400)	-
	(12,012)	9,888
Intercompany loan waivers	-	(6,134)
	(12,012)	3,754
Net (deductions from)/additions to shareholders' funds		
Opening shareholders' funds as previously stated	31,197	29,243
Prior year adjustment	-	(1,800)
	31,197	27,443
Opening shareholders' funds as restated		
	19,185	31,197

## 14 Financial commitments and contingent liabilities

The company's assets are used as security for the group's banking facilities. The bank has a fixed and floating charge over all assets of the company. At 31 December 2013 the net borrowings of the group and company were £Nil (2012 - £Nil).

## 15 Related party disclosures

The company is a wholly owned subsidiary of Altra Holdings Inc. and has taken advantage of the exemption conferred by Financial Reporting Standard 8 'Related party disclosures' not to disclose transactions with Altra Holdings Inc. or other wholly owned subsidiaries within the group.

## 16 Ultimate parent company and parent undertaking of larger group

The company's ultimate parent company is Altra Holdings Inc., a company incorporated in the United States of America.

The largest group in which the results of the company are consolidated is that headed by Altra Holdings Inc. The consolidated financial statements of Altra Holdings Inc. are available to the public and may be obtained from 300 Granite Street, Suite 201, Braintree, MA 02184, USA.