

COMPANIES HOUSE COPY

The Hay Hall Group Limited

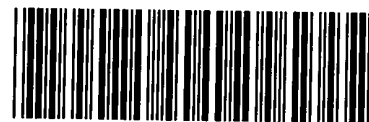
Report and Financial Statements

Year Ended

31 December 2014

Company Number 3141672

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COMPANIES HOUSE

The Hay Hall Group Limited

**Report and financial statements
for the year ended 31 December 2014**

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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 2014

The directors present their strategic report together with the audited financial statements for the year ended 31 December 2014.

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

13 AUGUST 2015

The Hay Hall Group Limited

Report of the directors for the year ended 31 December 2014

The directors present their report together with the audited financial statements for the year ended 31 December 2014.

Results and dividends

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

Interim dividends of £8,075,000 (2013 - £12,400,000) 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 2014 (*continued*)

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

13 AUGUST 2015

The Hay Hall Group Limited

Independent auditor's report

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 2014 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.

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 2014 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*)

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.

TLW
22 August 2015

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 2014

	Note	2014 £'000	2013 £'000
Administrative expenses		61	50
		<u>(61)</u>	<u>(50)</u>
Other operating income		130	130
		<u>130</u>	<u>130</u>
Operating profit	2	69	80
Dividends from shares in group undertakings		8,075	284
Other interest receivable and similar income		1	71
		<u>8,076</u>	<u>355</u>
Profit on ordinary activities before taxation		8,145	435
Taxation on profit on ordinary activities	3	63	47
		<u>63</u>	<u>47</u>
Profit on ordinary activities after taxation		8,082	388
		<u>8,082</u>	<u>388</u>

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.

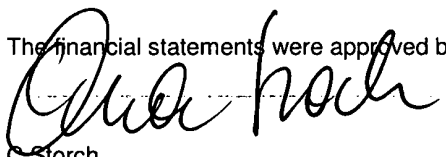
The notes on pages 8 to 13 form part of these financial statements.

The Hay Hall Group Limited

Balance sheet at 31 December 2014

<i>Company number 3141672</i>	Note	2014 £'000	2014 £'000	2013 £'000	2013 £'000
Fixed assets					
Tangible assets	5		1,135		1,182
Fixed asset investments	6		15,252		15,252
			<u>16,387</u>		<u>16,434</u>
Current assets					
Debtors	7	4,828		4,826	
Cash at bank and in hand		120		6	
		<u>4,948</u>		<u>4,832</u>	
Creditors: amounts falling due within one year	8	47		47	
		<u>47</u>		<u>47</u>	
Net current assets			<u>4,901</u>		<u>4,785</u>
Total assets less current liabilities			<u>21,288</u>		<u>21,219</u>
Creditors: amounts falling due after more than one year	9		2,096		2,034
			<u>19,192</u>		<u>19,185</u>
Capital and reserves					
Capital contribution reserve	11		9,507		9,507
Profit and loss account	11		9,685		9,678
			<u>19,192</u>		<u>19,185</u>
Shareholders' funds	12		<u>19,192</u>		<u>19,185</u>

The financial statements were approved by the board of directors and authorised for issue on **13 AUGUST**


C Storch
Director

The notes on pages 8 to 13 form part of these financial statements.

The Hay Hall Group Limited

Notes forming part of the financial statements for the year ended 31 December 2014

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 Industrial Motion Corp. 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 2014 (*continued*)

2 Operating profit

	2014 £'000	2013 £'000
This is arrived at after charging:		
Depreciation of tangible fixed assets	47	38
Fees payable to the company's auditor for the auditing of the company's annual accounts	4	4
	<u> </u>	<u> </u>

3 Taxation on profit on ordinary activities

	2014 £'000	2013 £'000
<i>UK Corporation tax</i>		
Adjustment in respect of previous periods	10	(17)
Group relief	53	64
	<u> </u>	<u> </u>
Total current tax	63	47
	<u> </u>	<u> </u>

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:

	2014 £'000	2013 £'000
Profit on ordinary activities before tax	8,145	435
	<u> </u>	<u> </u>
Profit on ordinary activities at the standard rate of corporation tax in the UK of 21.50% (2013 - 23.25%)	1,751	101
Effect of:		
Expenses not deductible for tax purposes	10	9
Non taxable income	(1,736)	(66)
Adjustment to tax charge in respect of previous periods	10	(17)
Transfer pricing	28	20
	<u> </u>	<u> </u>
Current tax charge for the year	63	47
	<u> </u>	<u> </u>

Factors that may affect future tax charges

The UK main corporation tax rate was reduced to 21% from 23%, taking effect from 1 April 2014. A further reduction to 20% is due to come into effect on 1 April 2015.

This rate change 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 2014 (*continued*)

4 Dividends

	2014 £'000	2013 £'000
Ordinary shares		
Interim paid of £8,075,000 (2013 - £12,400,000) per share	8,075	12,400

5 Tangible fixed assets

	Freehold land and buildings £'000
<i>Cost</i>	
At 1 January 2014 and 31 December 2014	1,350
<i>Depreciation</i>	
At 1 January 2014	168
Provided for the year	47
At 31 December 2014	215
<i>Net book value</i>	
At 31 December 2014	1,135
At 31 December 2013	1,182

The Hay Hall Group Limited

Notes forming part of the financial statements
for the year ended 31 December 2014 (*continued*)

6 Fixed asset investments

	Group undertakings £'000
<i>Cost</i>	
At 1 January 2014 and 31 December 2014	17,052
<i>Provisions</i>	
At 1 January 2014 and 31 December 2014	1,800
<i>Net book value</i>	
At 31 December 2013 and 31 December 2014	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
Trading companies			
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%
Bibby Turboflex SA	South Africa	Ordinary	100%
Rathi Turboflex Pty Limited	India	Ordinary	50%
Holding companies			
Bibby Group Limited	England	Ordinary	100%
Huco Power Transmission Limited	England	Ordinary	100%
Non trading companies			
Matrix International GmbH	Germany	Ordinary	100%
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 2014 (*continued*)

7 Debtors

	2014 £'000	2013 £'000
Amounts receivable after more than one year		
Amounts owed by group undertakings	4,828	4,826
	<u> </u>	<u> </u>

8 Creditors: amounts falling due within one year

	2014 £'000	2013 £'000
Accruals and deferred income	47	47
	<u> </u>	<u> </u>

9 Creditors: amounts falling due after more than one year

	2014 £'000	2013 £'000
Amounts owed to group undertakings	2,096	2,034
	<u> </u>	<u> </u>

10 Share capital

	2014 £	2013 £
<i>Allotted, called up and fully paid</i>		
1 Ordinary share of £1 each	1	1
	<u> </u>	<u> </u>

11 Reserves

	Capital contribution reserve £'000	Profit and loss account £'000
At 1 January 2014	9,507	9,678
Profit for the year	-	8,082
Dividends	-	(8,075)
	<u> </u>	<u> </u>
At 31 December 2014	9,507	9,685
	<u> </u>	<u> </u>

The Hay Hall Group Limited

Notes forming part of the financial statements
for the year ended 31 December 2014 (*continued*)

12 Reconciliation of movements in shareholders' funds

	2014 £'000	2013 £'000
Profit for the year	8,082	388
Dividends	(8,075)	(12,400)
	<hr/>	<hr/>
Net additions to/(deductions from) shareholders' funds	7	(12,012)
Opening shareholders' funds	19,185	31,197
	<hr/>	<hr/>
Closing shareholders' funds	19,192	19,185
	<hr/>	<hr/>

13 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 2014 the net borrowings of the group and company were £Nil (2013 - £Nil).

14 Related party disclosures

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

15 Ultimate parent company and parent undertaking of larger group

The company's ultimate parent company is Altra Industrial Motion Corp., 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 Industrial Motion Corp. The consolidated financial statements of Altra Industrial Motion Corp. are available to the public and may be obtained from 300 Granite Street, Suite 201, Braintree, MA 02184, USA.