

Company Registration No. 12916039 (England and Wales)

**HGS SOUTHERN LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 30 JUNE 2021**

**PAGES FOR FILING WITH REGISTRAR**

# HGS SOUTHERN LIMITED

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# HGS SOUTHERN LIMITED

## STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2021

	Notes	2021 £	£
<b>Non-current assets</b>			
Property, plant and equipment	4		24,444
<b>Current assets</b>			
Trade and other receivables	5	254,805	
Cash and cash equivalents		47,145	
		<u>301,950</u>	
<b>Current liabilities</b>	6	(260,947)	
		<u>41,003</u>	
<b>Net current assets</b>			41,003
<b>Net assets</b>			<u>65,447</u>
<b>Equity</b>			
Called up share capital			100
Retained earnings			65,347
			<u>65,447</u>
<b>Total equity</b>			<u>65,447</u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

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 1 December 2021 and are signed on its behalf by:

Mr D J L Lynch  
**Director**

**Company Registration No. 12916039**

# HGS SOUTHERN LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2021

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### 1 Accounting policies

#### Company information

HGS Southern Limited is a private company limited by shares incorporated in England and Wales. The registered office is Amelia House, Crescent Road, Worthing, West Sussex, BN11 1RL.

#### 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.

The financial statements of the company are consolidated in the financial statements of Penfold Verrall Holdings Limited that are available from its registered office which is the same as the company.

#### 1.2 Going concern

The financial statements have been prepared on a going concern basis. The directors have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. The COVID-19 pandemic and the ensuing economic shutdown has had a significant impact on the company's operations. In response to the COVID-19 pandemic, the directors have performed a robust analysis of forecast future cash flows taking into account the potential impact on the business of possible future scenarios arising from the impact of COVID-19. This analysis also considers the effectiveness of available measures to assist in mitigating the impact.

Based on these assessments and having regard to the resources available to the entity, the directors have concluded that there is no material uncertainty in relation to the appropriateness of continuing to adopt the going concern basis in preparing the annual report and accounts.

#### 1.3 Reporting period

The financial statements have been prepared for a 9 month period from the date of incorporation.

#### 1.4 Revenue

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty.

#### 1.5 Property, plant and equipment

Property, plant and equipment 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:

Motor vehicles	25% diminishing balance per annum
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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.

# HGS SOUTHERN LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2021

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### 1 Accounting policies

(Continued)

#### 1.6 Impairment of non-current 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.

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.

#### 1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand.

#### 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 statement of financial position when the company becomes party to the contractual provisions of the instrument.

##### **Financial assets**

Basic financial assets 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.

##### **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.

##### **Basic financial liabilities**

Basic financial liabilities 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.

#### 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.

# HGS SOUTHERN LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2021

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### 1 Accounting policies

(Continued)

#### **Current tax**

The tax currently payable is based on taxable profit for the year.

#### **Deferred tax**

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes.

#### **1.11 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

#### **1.12 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **1.13 Leases**

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.

### 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.

### 3 Employees

The costs disclosed below relate to staff costs that are recharged to this company from other connected entities. This company has no service contracts in place and therefore no employees of its own.

# HGS SOUTHERN LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2021

### 4 Property, plant and equipment

Motor vehicles

	£
<b>Cost</b>	
At 30 September 2020	-
Additions	24,444
At 30 June 2021	24,444
<b>Depreciation and impairment</b>	
At 30 September 2020 and 30 June 2021	-
<b>Carrying amount</b>	
At 30 June 2021	24,444

### 5 Trade and other receivables

2021

Amounts falling due within one year:	£
Trade receivables	251,381
Other receivables	3,424
	254,805

### 6 Current liabilities

2021

£

Trade payables	38,324
Amounts owed to group undertakings	200,718
Taxation and social security	15,000
Other payables	6,905
	260,947

Amounts owed to group undertakings have no terms and are therefore repayable on demand. Whilst the classification as current liabilities reflect the contractual nature of the loans, the parent company does not seek repayment of these loans until a subsidiary is financially able to do so. This may be more than 12 months from the reporting date, as part of the parent company's ongoing financial support of its subsidiaries.

## **HGS SOUTHERN LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE PERIOD ENDED 30 JUNE 2021***

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#### **7 Audit report information**

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Robert Dowling FCA.

The auditor was Carpenter Box.

Carpenter Box is a trading name of Carpenter Box Limited

#### **8 Parent company**

The ultimate parent company is Penfold Verrall Holdings Limited, a company registered in England and Wales. Penfold Verrall Holdings Limited prepares consolidated financial statements and copies can be obtained from Companies House. The registered office of Penfold Verrall Holdings Limited is Amelia House, Crescent Road, Worthing, West Sussex, BN11 1RL.



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.