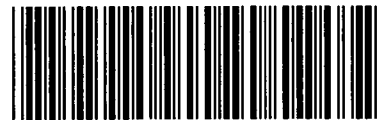


REGISTERED NUMBER: 03299063 (England and Wales)

Strategic Report,
Report of the Directors and
Financial Statements
for the Year Ended 31 January 2019
for
Halsall Electrical Limited

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for the Year Ended 31 January 2019

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Halsall Electrical Limited
Company Information
for the Year Ended 31 January 2019

DIRECTORS:

A J Wright
S Halsall
Mrs K Halsall
A J Perry
G Messham
K P Keary
D Shuter

SECRETARY:

A J Wright

REGISTERED OFFICE:

Progress Business Centre
Brookfield Drive
Cannock
Staffordshire
WS11 0JN

REGISTERED NUMBER:

03299063 (England and Wales)

AUDITORS:

Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
Chancery Court
34 West Street
Retford
Nottinghamshire
DN22 6ES

Strategic Report
for the Year Ended 31 January 2019

The directors present their strategic report for the year ended 31 January 2019.

The principal activity of the company in the year under review was that of electrical contractors.

REVIEW OF BUSINESS

The directors are pleased to report that the company, going into 2019/2020, continues to generate good turnover and profit levels.

Turnover decreased from £73.37 million (year ending 31st January 2018) to £52.97 million (year ending 31st January 2019) with two major projects finishing in the prior year.

The company enters the new financial year where future prospects remain positive, as it continues to report strong order books for the foreseeable future as a result of retaining strong links with long-term customers, which has been based on reputation and quality of service.

We operate from our Cannock Head Office with works being generated across a number of areas in the commercial sector, an approach that has offered some protection against any downturn in activity in these markets.

Halsall Electrical Limited's reputation has continued to attract enquiries from both existing and many new clients and as such the company is working closely with many large organisations in relation to future opportunities.

The directors consider, given the current unpredictable state of the current economic climate, that the results for financial year ending 31st January 2019 to be satisfactory and as such take this opportunity to formally convey their most sincere appreciation to all members of staff for their continued loyalty and commitment to the company.

PRINCIPAL RISKS AND UNCERTAINTIES

The directors continue to monitor the level of enquiries, contracts awarded, turnover, gross profit and cash resources, which they consider all to be key performance indicators.

The company is exposed to the usual business risks which the directors believe need to be monitored closely, especially during periods of economic uncertainty. The directors continually assess markets and contracts to identify any changes within the business sector in an attempt to mitigate the impact of any future general risk within the sector impacting upon the company.

Additional to the general business risk within the market place the company is exposed to price risks, credit risks and cash flow associated with selling on credit. These risks are managed through tight credit control procedures, including credit assessments of customers.

ON BEHALF OF THE BOARD:



A J Wright - Director

17 September 2019

Halsall Electrical Limited
Report of the Directors
for the Year Ended 31 January 2019

The directors present their report with the financial statements of the company for the year ended 31 January 2019.

DIVIDENDS

The total distribution of dividends for the year ended 31 January 2019 on the Ordinary £1 shares will be £750,000 payable to the parent company, Halsall Holdings Limited. No dividends were paid on the Ordinary A £1 shares.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 February 2018 to the date of this report.

A J Wright
S Halsall
Mrs K Halsall
A J Perry
G Messham
K P Keary
D Shuter

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of the information. The directors confirm that there is no relevant information that they know of and which they know the auditors are aware of.

ON BEHALF OF THE BOARD:

A J Wright - Director



17 September 2019

**Report of the Independent Auditors to the Members of
Halsall Electrical Limited**

Opinion

We have audited the financial statements of Halsall Electrical Limited (the 'company') for the year ended 31 January 2019 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of 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 31 January 2019 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.

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 Auditors' 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors 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 Report of the Directors.

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.

**Report of the Independent Auditors to the Members of
Halsall Electrical Limited**

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 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.

Auditors' 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 a Report of the Auditors 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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 a Report of the Auditors 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.



Neil Roberts BA FCA (Senior Statutory Auditor)
for and on behalf of Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
Chancery Court
34 West Street
Retford
Nottinghamshire
DN22 6ES

17 September 2019

Halsall Electrical Limited (Registered number: 03299063)

Income Statement
for the Year Ended 31 January 2019

	Notes	2019 £	2018 £
TURNOVER		52,970,583	73,371,863
Cost of sales		42,087,650	61,887,801
GROSS PROFIT		10,882,933	11,484,062
Administrative expenses		9,539,083	9,797,370
		1,343,850	1,686,692
Other operating income		3,500	5,400
OPERATING PROFIT	4	1,347,350	1,692,092
Interest receivable and similar income		76,392	50,597
		1,423,742	1,742,689
Interest payable and similar expenses	6	187	950
PROFIT BEFORE TAXATION		1,423,555	1,741,739
Tax on profit	7	469,767	511,436
PROFIT FOR THE FINANCIAL YEAR		953,788	1,230,303

The notes form part of these financial statements

Halsall Electrical Limited (Registered number: 03299063)

Other Comprehensive Income
for the Year Ended 31 January 2019

	Notes	2019 £	2018 £
PROFIT FOR THE YEAR		953,788	1,230,303
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>953,788</u>	<u>1,230,303</u>

The notes form part of these financial statements

Halsall Electrical Limited (Registered number: 03299063)

Balance Sheet
31 January 2019

	Notes	2019	2018
		£	£
FIXED ASSETS			
Tangible assets	9	161,362	53,788
CURRENT ASSETS			
Debtors	10	15,177,553	17,449,858
Cash at bank and in hand		6,835,101	14,555,483
		<u>22,012,654</u>	<u>32,005,341</u>
CREDITORS			
Amounts falling due within one year	11	17,138,801	27,227,702
		<u>4,873,853</u>	<u>4,777,639</u>
NET CURRENT ASSETS			
		<u>5,035,215</u>	<u>4,831,427</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>5,035,215</u>	<u>4,831,427</u>
CAPITAL AND RESERVES			
Called up share capital	12	50,000	50,000
Retained earnings	13	4,985,215	4,781,427
		<u>5,035,215</u>	<u>4,831,427</u>
SHAREHOLDERS' FUNDS			
		<u>5,035,215</u>	<u>4,831,427</u>

The financial statements were approved by the Board of Directors on 17 September 2019 and were signed on its behalf by:



A J Wright - Director

Halsall Electrical Limited (Registered number: 03299063)

Statement of Changes in Equity
for the Year Ended 31 January 2019

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 February 2017	50,000	4,301,124	4,351,124
Changes in equity			
Dividends	-	(750,000)	(750,000)
Total comprehensive income	-	1,230,303	1,230,303
Balance at 31 January 2018	<u>50,000</u>	<u>4,781,427</u>	<u>4,831,427</u>
Changes in equity			
Dividends	-	(750,000)	(750,000)
Total comprehensive income	-	953,788	953,788
Balance at 31 January 2019	<u>50,000</u>	<u>4,985,215</u>	<u>5,035,215</u>

The notes form part of these financial statements

Halsall Electrical Limited (Registered number: 03299063)

Cash Flow Statement
for the Year Ended 31 January 2019

	Notes	2019 £	2018 £
Cash flows from operating activities			
Cash generated from operations	1	(6,327,086)	1,172,039
Interest paid		(187)	(950)
Tax paid		(700,568)	(378,585)
Taxation refund		163,309	277,151
Net cash from operating activities		<u>(6,864,532)</u>	<u>1,069,655</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(182,242)	(33,773)
Interest received		76,392	50,597
Net cash from investing activities		<u>(105,850)</u>	<u>16,824</u>
Cash flows from financing activities			
Amount withdrawn by directors		-	(19,357)
Equity dividends paid		(750,000)	(750,000)
Net cash from financing activities		<u>(750,000)</u>	<u>(769,357)</u>
(Decrease)/increase in cash and cash equivalents		<u>(7,720,382)</u>	<u>317,122</u>
Cash and cash equivalents at beginning of year	2	14,555,483	14,238,361
Cash and cash equivalents at end of year	2	<u>6,835,101</u>	<u>14,555,483</u>

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 January 2019

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2019	2018
	£	£
Profit before taxation	1,423,555	1,741,739
Depreciation charges	74,670	17,930
Finance costs	187	950
Finance income	(76,392)	(50,597)
	<u>1,422,020</u>	<u>1,710,022</u>
Decrease/(increase) in trade and other debtors	1,544,015	(6,681,709)
(Decrease)/increase in trade and other creditors	(9,293,121)	6,143,726
Cash generated from operations	<u><u>(6,327,086)</u></u>	<u><u>1,172,039</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 January 2019

	31.1.19	1.2.18
	£	£
Cash and cash equivalents	<u>6,835,101</u>	<u>14,555,483</u>

Year ended 31 January 2018

	31.1.18	1.2.17
	£	£
Cash and cash equivalents	<u>14,555,483</u>	<u>14,238,361</u>

Notes to the Financial Statements
for the Year Ended 31 January 2019

1. **STATUTORY INFORMATION**

Halsall Electrical Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers. Turnover is inclusive of accrued income in respect of work undertaken during the year which at the balance sheet date has not been billed in accordance with FRS 102 section 23.

Turnover recognised in this manner is based upon an assessment of the fair value of the contracts at the balance sheet date as a proportion of the total value of the engagement.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 25% on reducing balance

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Amounts recoverable on contracts

The amount by which recorded turnover on long term contracts is in excess of payments on account is classified as amounts recoverable on contracts under debtors.

Payments received on account

The balance of payments on account in excess of amounts offset against amounts recoverable on contracts and long-term contract balances is classified as payments received on account under creditors, where applicable.

**Notes to the Financial Statements - continued
for the Year Ended 31 January 2019**

3. EMPLOYEES AND DIRECTORS

	2019 £	2018 £
Wages and salaries	6,770,631	7,649,128
Social security costs	786,183	907,843
Other pension costs	172,703	170,032
	<u>7,729,517</u>	<u>8,727,003</u>

The average number of employees during the year was as follows:

	2019	2018
Administration and support	57	56
Production	43	44
	<u>100</u>	<u>100</u>

	2019 £	2018 £
Directors' remuneration	2,322,506	3,132,900
Directors' pension contributions to money purchase schemes	63,111	61,571
	<u>2,385,617</u>	<u>3,194,471</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>4</u>	<u>4</u>
------------------------	----------	----------

Information regarding the highest paid director is as follows:

	2019 £	2018 £
Emoluments etc	524,172	929,677
Pension contributions to money purchase schemes	2,029	2,004
	<u>526,201</u>	<u>931,681</u>

4. OPERATING PROFIT

The operating profit is stated after charging:

	2019 £	2018 £
Hire of plant and machinery	602,798	707,055
Depreciation - owned assets	74,668	17,931
Auditors' remuneration	30,000	29,000
	<u>707,466</u>	<u>753,986</u>

5. EXCEPTIONAL ITEMS

During the year additional loan amounts of £758,725 (2018: £2,854,163) was made from the company to Halsall Security Limited. Of the loan, £1,000,000 (2018: £704,163) was subsequently waived at the year end. This is reflected in the company's profit and loss account as an administrative expense.

The remaining £1,908,725 (2018: £2,150,000) is unsecured and repayable within one year. The loan has been made on an interest-free basis.

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2019 £	2018 £
Corporation tax interest	<u>187</u>	<u>950</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 January 2019**

7. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2019 £	2018 £
Current tax:		
UK corporation tax	469,767	497,257
(Over)/under provision	-	14,179
	<u>469,767</u>	<u>511,436</u>
Tax on profit	<u>469,767</u>	<u>511,436</u>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2019 £	2018 £
Profit before tax	<u>1,423,555</u>	<u>1,741,739</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19.161%)	270,475	333,735
Effects of:		
Expenses not deductible for tax purposes	24,783	33,318
Capital allowances in excess of depreciation	(15,491)	(4,725)
Adjustments to tax charge in respect of previous periods	-	14,179
Related party loan waiver	190,000	134,929
Total tax charge	<u>469,767</u>	<u>511,436</u>

8. DIVIDENDS

	2019 £	2018 £
Ordinary shares of £1 each Interim	<u>750,000</u>	<u>750,000</u>

9. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Totals £
COST			
At 1 February 2018	97,799	258,425	356,224
Additions	179,601	2,641	182,242
At 31 January 2019	<u>277,400</u>	<u>261,066</u>	<u>538,466</u>
DEPRECIATION			
At 1 February 2018	62,653	239,783	302,436
Charge for year	69,349	5,319	74,668
At 31 January 2019	<u>132,002</u>	<u>245,102</u>	<u>377,104</u>
NET BOOK VALUE			
At 31 January 2019	<u>145,398</u>	<u>15,964</u>	<u>161,362</u>
At 31 January 2018	<u>35,146</u>	<u>18,642</u>	<u>53,788</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 January 2019**

10. DEBTORS		2019 £	2018 £
Amounts falling due within one year:			
Trade debtors		5,834,424	8,093,285
Prepayments		94,945	87,878
Amounts recoverable on contracts		3,350,000	4,018,903
Other debtors		5,236,366	5,037,676
VAT		453,543	-
		<u>14,969,278</u>	<u>17,237,742</u>
Amounts falling due after more than one year:			
Trade debtors		<u>208,275</u>	<u>212,116</u>
Aggregate amounts		<u>15,177,553</u>	<u>17,449,858</u>
11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		2019 £	2018 £
Trade creditors		13,034,708	17,351,763
Amounts owed to group undertakings		298,272	1,085,649
Tax		269,767	337,257
Social security and other taxes		342,487	469,687
VAT		-	66,824
Other creditors		1,724,284	2,063,427
Payments received on account		1,440,283	5,824,845
Accrued expenses		29,000	28,250
		<u>17,138,801</u>	<u>27,227,702</u>
12. CALLED UP SHARE CAPITAL			
Allotted, issued and fully paid:			
Number:	Class:	Nominal value:	
40,000	Ordinary	£1	
10,000	Ordinary A	£1	
			2019 £
			2018 £
			40,000
			10,000
			<u>50,000</u>
			<u>50,000</u>
13. RESERVES			Retained earnings £
At 1 February 2018			4,781,427
Profit for the year			953,788
Dividends			<u>(750,000)</u>
At 31 January 2019			<u>4,985,215</u>
14. RELATED PARTY DISCLOSURES			

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Notes to the Financial Statements - continued
for the Year Ended 31 January 2019

15. ULTIMATE CONTROLLING PARTY

The company is controlled by Halsall Holdings Limited by virtue of it owning 100% of the share capital. The ultimate controlling parties are A J Wright and S Halsall by virtue of them owning 100% of the Ordinary share capital in Halsall Holdings Limited.