

Unaudited Financial Statements
for the Year Ended 31 March 2020
for
HMC Group Ltd

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for the Year Ended 31 March 2020**

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HMC Group Ltd
Company Information
for the Year Ended 31 March 2020

DIRECTORS:

J H McArdle
M H McArdle
M M J McArdle
M S McArdle
R McArdle
D McArdle

REGISTERED OFFICE:

140 Coniscliffe Road
Darlington
Co Durham
DL3 7RT

REGISTERED NUMBER:

05064708 (England and Wales)

ACCOUNTANTS:

Clive Owen LLP
Chartered Accountants
Kepier House
Belmont Business Park
Durham
DH1 1TW

Balance Sheet
31 March 2020

	Notes	2020 £	£	2019 £	£
FIXED ASSETS					
Intangible assets	4		-		-
Tangible assets	5		3,594		23,561
Investments	6		7,052,555		4,701,694
Investment property	7		<u>3,831,345</u>		<u>5,278,595</u>
			10,887,494		10,003,850
CURRENT ASSETS					
Debtors	8	8,175,934		4,943,351	
Cash at bank and in hand		<u>156,771</u>		<u>117,154</u>	
		8,332,705		5,060,505	
CREDITORS					
Amounts falling due within one year	9	<u>5,859,838</u>		<u>3,672,824</u>	
NET CURRENT ASSETS			<u>2,472,867</u>		<u>1,387,681</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>13,360,361</u>		<u>11,391,531</u>
CAPITAL AND RESERVES					
Called up share capital	11		100,000		100,000
Revaluation reserve			10,352,810		8,001,949
Retained earnings			<u>2,907,551</u>		<u>3,289,582</u>
SHAREHOLDERS' FUNDS			<u>13,360,361</u>		<u>11,391,531</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2020 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

HMC Group Ltd (Registered number: 05064708)

Balance Sheet - continued
31 March 2020

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Profit and Loss Account has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 9 September 2020 and were signed on its behalf by:

M H McArdle - Director

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 March 2020**

1. STATUTORY INFORMATION

HMC Group Ltd 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 the provisions of Section 1A "Small Entities" of 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.

There were no material departures from that standard.

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

Going Concern

The directors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The directors make this assessment in respect of a period of at least one year from the date the financial statements are approved.

At the date of approval, the country and indeed the rest of the world is in the midst of dealing with the Covid-19 pandemic. The company has taken steps to deal with the financial impact of this. Whilst there is uncertainty around the length of time the Covid-19 pandemic will last and the full impact on the global economy, the directors believe that it is appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements due to the levels of reserves and potential financial support available.

The financial statements are prepared on the going concern basis which assumes that the company will continue to trade. If the company is unable to continue to trade, adjustments would be required to reduce the value of assets to their recoverable amounts, to provide for any further liabilities that might arise and to analyse long term liabilities as current liabilities.

Preparation of consolidated financial statements

The financial statements contain information about HMC Group Ltd as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

Related party transactions

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 nor transactions with directors conducted at a market rate.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Development costs are being amortised evenly over their estimated useful life of two years.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2020**

2. ACCOUNTING POLICIES - continued**Tangible fixed assets**

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

Fixtures and fittings	- 4% - 33% on cost
Motor vehicles	- 33% on cost

Tangible fixed assets are measured at cost less accumulated depreciation and impairment.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

Financial instruments

Basic financial instruments are recognised at amortised cost with changes recognised in profit or loss.

Operating leasing commitments

Rentals payable under operating leases are charged to profit and loss on a straight-line basis over the lease term, unless the rental payments are structured to increase in line with expected general inflation, in which case the company recognises annual rent expense equal to amounts owed to the lessor.

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.

Fixed asset investments

Shares in group undertakings are revalued to show the value of the underlying net assets where, in the opinion of the directors, such treatment is necessary in order to give a true and fair view, otherwise they are shown at cost. Changes in fair value are recognised in other comprehensive income.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 3 (2019 - 12) .

4. INTANGIBLE FIXED ASSETS

	Development costs £
COST	
At 1 April 2019 and 31 March 2020	<u>25,000</u>
AMORTISATION	
At 1 April 2019 and 31 March 2020	<u>25,000</u>
NET BOOK VALUE	
At 31 March 2020	<u>-</u>
At 31 March 2019	<u>-</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

5. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1 April 2019	270,762	12,985	283,747
Additions	879	-	879
Disposals	(41,658)	-	(41,658)
At 31 March 2020	<u>229,983</u>	<u>12,985</u>	<u>242,968</u>
DEPRECIATION			
At 1 April 2019	254,415	5,771	260,186
Charge for year	(57)	4,328	4,271
Eliminated on disposal	(25,083)	-	(25,083)
At 31 March 2020	<u>229,275</u>	<u>10,099</u>	<u>239,374</u>
NET BOOK VALUE			
At 31 March 2020	<u>708</u>	<u>2,886</u>	<u>3,594</u>
At 31 March 2019	<u>16,347</u>	<u>7,214</u>	<u>23,561</u>

6. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST OR VALUATION	
At 1 April 2019	4,701,694
Revaluations	<u>2,350,861</u>
At 31 March 2020	<u>7,052,555</u>
NET BOOK VALUE	
At 31 March 2020	<u>7,052,555</u>
At 31 March 2019	<u>4,701,694</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 20206. **FIXED ASSET INVESTMENTS - continued**

Cost or valuation at 31 March 2020 is represented by:

	Shares in group undertakings £
Valuation in 2007	65,989
Valuation in 2014	1,728,416
Valuation in 2015	797,727
Valuation in 2016	1,590,928
Valuation in 2017	601,833
Valuation in 2018	(531,260)
Valuation in 2019	448,056
Valuation in 2020	2,350,861
Cost	<u>5</u>
	<u>7,052,555</u>

If fixed asset investments had not been revalued they would have been included at the following historical cost:

	2020 £	2019 £
Cost	<u>5</u>	<u>5</u>

Fixed asset investments were valued on a net asset basis on 31 March 2020 by the directors .

7. **INVESTMENT PROPERTY**

	Total £
FAIR VALUE	
At 1 April 2019	5,278,595
Additions	57,697
Disposals	<u>(1,504,947)</u>
At 31 March 2020	<u>3,831,345</u>
NET BOOK VALUE	
At 31 March 2020	<u>3,831,345</u>
At 31 March 2019	<u>5,278,595</u>

The directors have reviewed the valuation of the investment property in accordance with FRS 102 Section 1A and believe that it represents fair value as at 31 March 2020.

8. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020 £	2019 £
Trade debtors	9,000	24,000
Amounts owed by group undertakings	6,588,311	4,622,874
Other debtors	1,571,583	260,874
Prepayments and accrued income	<u>7,040</u>	<u>35,603</u>
	<u>8,175,934</u>	<u>4,943,351</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	3,577	56,046
Amounts owed to group undertakings	4,920,287	1,867,371
Taxation and social security	2,423	8,202
Other creditors	3,587	7,171
Directors' current accounts	911,363	1,713,035
Accruals and deferred income	18,601	20,999
	<u>5,859,838</u>	<u>3,672,824</u>

10. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2020	2019
	£	£
Within one year	<u>-</u>	<u>28,800</u>

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2020	2019
Number:	Class:	Nominal value:	£	£
100,000	Ordinary	£1	<u>100,000</u>	<u>100,000</u>

12. RELATED PARTY DISCLOSURES

	2020	2019
£	£	
Amount due to director	<u>911,363</u>	<u>1,713,035</u>

No interest was charged on amounts owed to directors.

13. ULTIMATE PARENT COMPANY

The ultimate parent company is HMC Group Holdings Limited, a company registered in Jersey, registered office address: 140 Coniscliffe Road, Darlington, Co. Durham, DL3 7RT

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.