

Company Registration No. 02917872 (England and Wales)

**ALLEGRO CORPORATION LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**  
**PAGES FOR FILING WITH REGISTRAR**

# ALLEGRO CORPORATION LIMITED

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# ALLEGRO CORPORATION LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Current assets</b>					
Stocks		6,833,269		9,317,984	
Debtors	5	12,072		2,341,726	
Cash at bank and in hand		251,582		190,369	
		<u>7,096,923</u>		<u>11,850,079</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(2,371,648)</u>		<u>(155,153)</u>	
<b>Net current assets</b>		<u>4,725,275</u>		<u>11,694,926</u>	
<b>Capital and reserves</b>					
Called up share capital	7		96		96
Profit and loss reserves		<u>4,725,179</u>		<u>11,694,830</u>	
<b>Total equity</b>		<u>4,725,275</u>		<u>11,694,926</u>	

The directors of the company have elected not to include a copy of the profit and loss account 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 14 September 2021 and are signed on its behalf by:

C Davis  
Director

R M Kay  
Director

Company Registration No. 02917872

# ALLEGRO CORPORATION LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020

	Share capital	Profit and loss reserves	Total
Notes	£	£	£
<b>Balance at 1 January 2019</b>	96	10,361,244	10,361,340
<b>Year ended 31 December 2019:</b>			
Profit and total comprehensive income for the year	-	1,333,586	1,333,586
<b>Balance at 31 December 2019</b>	96	11,694,830	11,694,926
<b>Year ended 31 December 2020:</b>			
Profit and total comprehensive income for the year	-	1,030,349	1,030,349
Dividends	-	(8,000,000)	(8,000,000)
<b>Balance at 31 December 2020</b>	96	4,725,179	4,725,275

# ALLEGRO CORPORATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **1 Accounting policies**

#### **Company information**

Allegro Corporation Limited is a private company limited by shares incorporated in England and Wales. The registered office is Jupiter House, 1 Mercury Rise, Altham Business Park, Altham, Lancashire, BB5 5BY.

#### **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.

Allegro Corporation Limited is a wholly-owned subsidiary of McDermott Developments Limited, a company registered in England and Wales. The results for Allegro Corporation Limited are included in the consolidated financial statements of McDermott Developments Limited which are available from the registered office.

#### **1.2 Going concern**

The company is reliant upon the financial support of its parent company, McDermott Developments Limited, in order to meet its liabilities as they fall due.

The directors of McDermott Developments Limited have confirmed that this support will continue for the foreseeable future.

As a result the directors have continued to adopt the going concern basis in preparing the financial statements. Whilst the directors have adopted the going concern basis set out above, the impact of the worldwide Coronavirus pandemic, Covid-19, on all businesses represents an uncertainty and the true impact of this pandemic will only become apparent over time.

The directors have given due consideration the impact of this pandemic on the company and consider that it will have adequate resources to manage that impact.

#### **1.3 Turnover**

Turnover represents amounts receivable for property sales, where the sale of property is recognised on legal completion.

#### **1.4 Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

# ALLEGRO CORPORATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

(Continued)

#### 1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.6 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 balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, 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.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

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

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### 1.7 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.

# ALLEGRO CORPORATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 Accounting policies

(Continued)

#### 1.8 Taxation

The tax expense represents the tax currently payable.

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### 1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### 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 Auditor's remuneration

	2020	2019
	£	£
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	3,300	3,000
	<u>          </u>	<u>          </u>

### 4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020	2019
	Number	Number
Total	3	3
	<u>          </u>	<u>          </u>

# ALLEGRO CORPORATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 5 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	7,160	1,516
Amounts owed by group undertakings	-	2,324,623
Other debtors	4,912	15,587
	<u>12,072</u>	<u>2,341,726</u>

### 6 Creditors: amounts falling due within one year

	2020	2019
	£	£
Amounts owed to group undertakings	2,188,836	-
Corporation tax	21,514	8,521
Other creditors	161,298	146,632
	<u>2,371,648</u>	<u>155,153</u>

### 7 Called up share capital

	2020	2019	2020	2019
	Number	Number	£	£
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	96	96	96	96

### 8 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 Linda Wilkinson and the auditor was Pierce C A Limited.

### 9 Financial commitments, guarantees and contingent liabilities

The company has entered into an unlimited intercompany cross guarantee together with McDermott Homes Limited and Suncrest Properties Limited, supported by a debenture over its assets, in respect of a revolving loan facility provided by Handelsbanken to McDermott Developments Limited.

At the balance sheet date there was a balance of £nil (2019 - £nil) outstanding on this facility.

## **ALLEGRO CORPORATION LIMITED**

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

***FOR THE YEAR ENDED 31 DECEMBER 2020***

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**10 Parent company**

The ultimate parent company is McDermott Developments Limited, a company registered in England & Wales.

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.