

Registration number: SC211231

Halley Stevensons (Dyers & Finishers) Limited

Annual Report and Financial Statements

for the Period from 29 November 2021 to 27 November 2022



Morris & Young, Statutory Auditor
Chartered Accountants
6 Atholl Crescent
PERTH
PH1 5JN

Halley Stevensons (Dyers & Finishers) Limited

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Halley Stevensons (Dyers & Finishers) Limited

Company Information

Directors Mr Malcolm Moir
Mr James Campbell
Ms Kay Laing

Company secretary Mr Malcolm Moir

Registered office Baltic Works
Annfield Road
DUNDEE
DD1 5JH

Solicitors Morton Fraser
145 St. Vincent Street
GLASGOW
G2 5JF

Auditors Morris & Young, Statutory Auditor
Chartered Accountants
6 Atholl Crescent
PERTH
PH1 5JN

Halley Stevensons (Dyers & Finishers) Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual 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 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.

Halley Stevensons (Dyers & Finishers) Limited

(Registration number: SC211231)

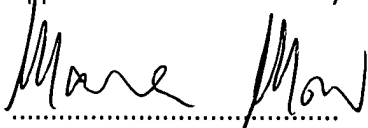
Statement of Financial Position as at 27 November 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	5	2,646,099	2,353,384
Current assets			
Stocks	6	2,733,282	1,910,144
Debtors	7	1,690,803	1,712,592
Cash at bank and in hand		590,639	79,667
		<u>5,014,724</u>	<u>3,702,403</u>
Creditors: Amounts falling due within one year	8	<u>(2,910,597)</u>	<u>(2,356,651)</u>
Net current assets		<u>2,104,127</u>	<u>1,345,752</u>
Total assets less current liabilities		4,750,226	3,699,136
Creditors: Amounts falling due after more than one year	8	(1,578,917)	(1,201,641)
Provisions for liabilities		<u>(482,901)</u>	<u>(244,900)</u>
Net assets		<u>2,688,408</u>	<u>2,252,595</u>
Capital and reserves			
Called up share capital	10	570,000	570,000
Retained earnings		<u>2,118,408</u>	<u>1,682,595</u>
Shareholders' funds		<u>2,688,408</u>	<u>2,252,595</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Income Statement has been taken.

Approved and authorised by the Board on 6 June 2023 and signed on its behalf by:



Mr Malcolm Moir
Company secretary and director

The notes on pages 4 to 13 form an integral part of these financial statements.

Halley Stevensons (Dyers & Finishers) Limited

Notes to the Financial Statements for the Period from 29 November 2021 to 27 November 2022

1 General information

The company is a private company limited by share capital, incorporated in Scotland.

The address of its registered office is:

Baltic Works
Annfield Road
DUNDEE
DD1 5JH

These financial statements were authorised for issue by the Board on 6 June 2023.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The financial statements are presented in Sterling (£) and are rounded to the nearest £1.

Going concern

These accounts have been prepared having regard to the company's trading forecasts for the next twelve months.

Notwithstanding the above, given the current economic environment, there remains a risk that the external trading environment may be worse than currently envisaged, and as a result, the directors of Halley Stevensons (Dyers & Finishers) Limited have also reviewed forecasts which include sensitivities that make allowance for that risk. Should such a scenario arise, the directors have confidence that they have adequate liquidity to ensure the group can meet its liabilities as they fall due for the foreseeable future. After taking this in to account the directors of Halley Stevensons (Dyers & Finishers) Limited consider that it is appropriate to prepare these accounts on a going concern basis.

Halley Stevensons (Dyers & Finishers) Limited

Notes to the Financial Statements for the Period from 29 November 2021 to 27 November 2022

2 Accounting policies (continued)

Audit report

The Independent Auditor's Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report on 7 June 2023 was Mr Peter Young, B.A., C.A., who signed for and on behalf of Morris & Young, Statutory Auditor.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Foreign currency transactions and balances

At the end of each year the weighted average exchange rate purchased in the preceding twelve months is calculated. This rate is used to recalculate the standard cost which is then applied to foreign currency transactions. Exchange differences are realised to the Income Statement at the point of payment during the year. At the year end, individual balances are restated for exchange movements only where the net impact of all restatements would be material.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

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

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Halley Stevensons (Dyers & Finishers) Limited

Notes to the Financial Statements for the Period from 29 November 2021 to 27 November 2022

2 Accounting policies (continued)

Depreciation

Depreciation is not provided on freehold land and buildings. The directors are of the opinion that the property concerned is maintained to a high standard throughout a programme of refurbishment and maintenance. This expenditure is essential to ensure the continual upkeep and integrity of the property upon which the trading position of the company and its position in the market place depends. The expenditure is written off to the profit and loss account. As a consequence the lives of the properties and their residual values are such that any depreciation charge would be immaterial.

Depreciation is charged from the month of purchase to write off the cost of assets, over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant & machinery	17% reducing balance
Fixtures & fittings	40% & 15% reducing balance

Intangible assets

Intangible assets are stated in the statement of financial position at cost, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

The cost of intangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Website	100%

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and on deposit.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stock and work in progress are valued at the lower of cost and net realisable value. Costs represents materials, freight and handling charges, direct labour and appropriate production overheads. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal.

Halley Stevensons (Dyers & Finishers) Limited

Notes to the Financial Statements for the Period from 29 November 2021 to 27 November 2022

2 Accounting policies (continued)

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the income statement over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance costs in the income statement and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Halley Stevensons (Dyers & Finishers) Limited

Notes to the Financial Statements for the Period from 29 November 2021 to 27 November 2022

2 Accounting policies (continued)

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

The company only has financial assets and liabilities of a kind that would qualify as basic financial instruments which are recognised at their transaction value and subsequently measured at their settlement value.

3 Staff numbers

The average number of persons employed by the company (including directors) during the period, was 47 (2021 - 40).

Halley Stevensons (Dyers & Finishers) Limited

Notes to the Financial Statements for the Period from 29 November 2021 to 27 November 2022

4 Intangible assets

	Other intangible assets £	Total £
Cost or valuation		
At 29 November 2021	15,454	15,454
At 27 November 2022	15,454	15,454
Amortisation		
At 29 November 2021	15,454	15,454
At 27 November 2022	15,454	15,454
Carrying amount		
At 27 November 2022	-	-
At 28 November 2021	-	-

5 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Total £
Cost or valuation			
At 29 November 2021	1,055,333	2,543,263	3,598,596
Additions	-	508,436	508,436
At 27 November 2022	1,055,333	3,051,699	4,107,032
Depreciation			
At 29 November 2021	-	1,245,212	1,245,212
Charge for the period	-	215,721	215,721
At 27 November 2022	-	1,460,933	1,460,933
Carrying amount			
At 27 November 2022	1,055,333	1,590,766	2,646,099
At 28 November 2021	1,055,333	1,298,051	2,353,384

Halley Stevensons (Dyers & Finishers) Limited

Notes to the Financial Statements for the Period from 29 November 2021 to 27 November 2022

5 Tangible assets (continued)

Included within the net book value of land and buildings above is £1,055,333 (2021 - £1,055,333) in respect of freehold land and buildings.

6 Stocks

	2022 £	2021 £
Raw materials and consumables	1,376,614	1,134,400
Work in progress	408,438	254,208
Finished goods and goods for resale	948,230	521,536
	<u>2,733,282</u>	<u>1,910,144</u>

7 Debtors

	2022 £	2021 £
Current		
Trade debtors	1,422,471	1,327,715
Amounts owed by related parties	12 133,616	236,724
Prepayments	32,696	23,441
Other debtors	102,020	124,712
	<u>1,690,803</u>	<u>1,712,592</u>

8 Creditors

Creditors: amounts falling due within one year

	2022 £	2021 £
Due within one year		
Loans and borrowings	9 301,700	366,752
Trade creditors	1,843,206	1,328,041
Taxation and social security	35,399	63,411
Accruals and deferred income	730,292	598,447
	<u>2,910,597</u>	<u>2,356,651</u>

Halley Stevensons (Dyers & Finishers) Limited

Notes to the Financial Statements for the Period from 29 November 2021 to 27 November 2022

8 Creditors (continued)

Creditors: amounts falling due after more than one year

	Note	2022 £	2021 £
Due after one year			
Loans and borrowings	9	1,350,397	1,201,641
Other non-current financial liabilities		228,520	-
		<u>1,578,917</u>	<u>1,201,641</u>

9 Loans and borrowings

	2022 £	2021 £
Non-current loans and borrowings		
Bank borrowings	888,078	1,024,317
Finance lease liabilities	462,319	177,324
	<u>1,350,397</u>	<u>1,201,641</u>

Hire purchase and finance leases are secured on the assets to which they relate.

	2022 £	2021 £
Current loans and borrowings		
Bank borrowings	138,132	131,074
Bank overdrafts	-	164,448
Finance lease liabilities	163,568	71,230
	<u>301,700</u>	<u>366,752</u>

Bank borrowings

Clydesdale boiler loan is denominated in GBP with a nominal interest rate of 4.79%, and the final instalment is due on 19 November 2026. The carrying amount at period end is £98,263 (2021 - £120,000).

Clydesdale fixed rate loan is denominated in GBP with a nominal interest rate of 4.05%, and the final instalment is due on 2 June 2026. The carrying amount at period end is £325,286 (2021 - £342,902).

Clydesdale variable rate loan is denominated in GBP with a nominal interest rate of Base rate plus 3.25%, and the final instalment is due on 2 June 2026. The carrying amount at period end is £323,957 (2021 - £342,488).

Halley Stevensons (Dyers & Finishers) Limited

Notes to the Financial Statements for the Period from 29 November 2021 to 27 November 2022

9 Loans and borrowings (continued)

Clydesdale CBILS is denominated in GBP with a nominal interest rate of Base rate plus 3%, and the final instalment is due on 2 June 2026. The carrying amount at period end is £278,704 (2021 - £350,000).

The bank loans are secured by floating charges over the assets and undertakings of the company and a legal first charge over Baltic Works, 28 Annfield Road, Dundee

10 Share capital

Allotted, called up and fully paid shares

	2022		2021	
	No.	£	No.	£
Ordinary shares of £1 each	<u>570,000</u>	<u>570,000</u>	<u>570,000</u>	<u>570,000</u>

11 Financial commitments, guarantees and contingencies

Amounts not provided for in the statement of financial position

The company has commitments under non-cancellable operating leases and balancing payments for new machinery (2021 only). The total amount of financial commitments not included in the balance sheet is £61,010 (2021 - £242,763).

12 Related party transactions

Summary of transactions with parent

The company is a wholly owned subsidiary and is therefore exempt from disclosing related party transactions.

Summary of transactions with other related parties

Malcolm Moir and Martin Wigglesworth, directors, are also partners of a partnership which rents the premises to the company.

The company has paid rent of £nil (2021 - £50,000) to Moir and Wigglesworth. The amount due at the year end is nil (2021 - nil). During the year ending 2021 the company purchased the property from Moir and Wigglesworth at the market value of £1,000,000.

Halley Stevensons (Dyers & Finishers) Limited

Notes to the Financial Statements for the Period from 29 November 2021 to 27 November 2022

13 Parent and ultimate parent undertaking

The company's immediate parent is Baltic Works Ltd, incorporated in Scotland.

The most senior parent entity producing publicly available financial statements is Baltic Works Limited. These financial statements are available upon request from Companies House, 139 Fountainbridge, Edinburgh, EH3 9FF.

The ultimate controlling party is Malcolm Moir.