

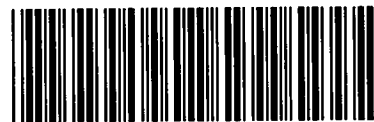
H.A. Light Findings Limited

Financial statements

For the Year Ended 31 August 2018



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H.A. Light Findings Limited

Company Information

Director	B P Head
Company secretary	I R Perrins
Registered number	01270401
Registered office	Tramway Oldbury Road Smethwick Warley West Midlands B66 1NY
Independent auditor	Dains LLP 15 Colmore Row Birmingham B3 2BH

H.A. Light Findings Limited

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Balance Sheet
As at 31 August 2018

	Note	2018 £000	2017 £000
Fixed assets			
Tangible assets	5	12	13
Investments	6	-	-
		<u>12</u>	<u>13</u>
Current assets			
Stocks	7	242	370
Debtors: amounts falling due within one year	8	228	246
Cash at bank and in hand	9	55	1
		<u>525</u>	<u>617</u>
Creditors: amounts falling due within one year	10	(593)	(659)
Net current liabilities		<u>(68)</u>	<u>(42)</u>
Total assets less current liabilities		<u>(56)</u>	<u>(29)</u>
Provisions for liabilities			
Deferred tax	12	(1)	(2)
		<u>(1)</u>	<u>(2)</u>
Net liabilities		<u>(57)</u>	<u>(31)</u>
Capital and reserves			
Profit and loss account	14	(57)	(31)
		<u>(57)</u>	<u>(31)</u>

H.A. Light Findings Limited
Registered number:01270401

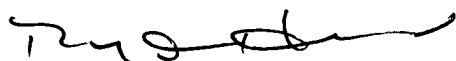
Balance Sheet (continued)
As at 31 August 2018

The financial statements 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 - small entities.

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

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 20 March 2019.



B P Head
Director

The notes on pages 3 to 12 form part of these financial statements.

**Notes to the Financial Statements
For the Year Ended 31 August 2018**

1. General information

H.A. Light Findings Limited is a private company, limited by shares and registered in England and Wales. The address of the registered office is given on the Company Information page. The Company's principal activity is the manufacture of precious metal findings, costume jewellery, badge components and related giftware products.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The director assesses the forecast financial performance of the company over a period of twelve months from the date of approval of these financial statements, which show a return to profitability for continuing operations. In his opinion it is appropriate for the financial statements to be prepared on the going concern basis.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2. Accounting policies (continued)

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method and reducing balance method.

Depreciation is provided on the following basis:

Plant, machinery and equipment - 5% and 10% straight line, 33.3% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.6 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2. Accounting policies (continued)

2.9 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, and loans to and from group undertakings.

2.10 Creditors

Short term creditors are measured at the transaction price.

2.11 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.12 Pensions

Employees 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 are capitalised as an intangible fixed assets or a tangible fixed asset.

Retirement benefits

The Company participates in group pension scheme arrangements for the provision of pension benefits to employees. Contributions and pension costs for the group scheme are based upon pension costs across the group as a whole. The contributions payable by the Company are affected by a surplus or deficit for the whole group. However, the Company is unable to identify its share of the underlying assets and liabilities, and consequently, the schemes are accounted for as if they are defined contribution schemes. The amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

**Notes to the Financial Statements
For the Year Ended 31 August 2018**

2. Accounting policies (continued)

2.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Income and Retained Earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.14 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Notes to the Financial Statements
For the Year Ended 31 August 2018**

3. Auditor's remuneration

Fees payable to the Company's auditor for the audit of the Company's annual financial statements totalled £2,000 (2017 - £1,000).

4. Employees

The average monthly number of employees, including directors, during the year was 11 (2017 - 11).

5. Tangible fixed assets

	Plant and machinery £000	Computer equipment £000	Total £000
Cost or valuation			
At 1 September 2017	14	7	21
Additions	-	1	1
At 31 August 2018	14	8	22
Depreciation			
At 1 September 2017	5	3	8
Charge for the year on owned assets	1	1	2
At 31 August 2018	6	4	10
Net book value			
At 31 August 2018	8	4	12
At 31 August 2017	9	4	13

Notes to the Financial Statements
For the Year Ended 31 August 2018

6. Fixed asset investments

	Total £000
At 31 August 2018	-
At 31 August 2017	-

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Priory Products Limited	England & Wales	Ordinary	100 %	Not trading

The subsidiary holds the same registered office as the Company which is given on the Company Information page.

The results of the subsidiary are included within the consolidated financial statements of Rical Limited, the ultimate parent company.

7. Stocks

	2018 £000	2017 £000
Raw materials	110	112
Work in progress	12	11
Finished goods and goods for resale	120	247
	242	370

**Notes to the Financial Statements
For the Year Ended 31 August 2018**

8. Debtors

	2018 £000	2017 £000
Trade debtors	93	135
Amounts owed by group undertakings	133	94
Corporation tax recoverable	-	8
Prepayments and accrued income	2	9
	<u>228</u>	<u>246</u>

9. Cash and cash equivalents

	2018 £000	2017 £000
Cash at bank and in hand	56	1
	<u>56</u>	<u>1</u>

10. Creditors: Amounts falling due within one year

	2018 £000	2017 £000
Trade creditors	48	121
Amounts owed to group undertakings	505	505
Other taxation and social security	4	13
Other creditors	33	10
Accruals and deferred income	3	10
	<u>593</u>	<u>659</u>

Notes to the Financial Statements
For the Year Ended 31 August 2018

11. Financial instruments

	2018 £000	2017 £000
Financial assets		
Financial assets measured at undiscounted amounts receivable	<u>282</u>	<u>230</u>
Financial liabilities		
Financial liabilities measured at undiscounted amounts payable	<u>(589)</u>	<u>(646)</u>

Financial assets measured at undiscounted amounts receivable comprise cash at bank and in hand, trade debtors and amounts owed by group undertakings.

Financial liabilities measured at undiscounted amounts payable comprise trade creditors, amounts owed to group undertakings, other creditors and accruals.

12. Deferred taxation

	2018 £000
At beginning of year	2
Utilised in year	(1)
At end of year	<u><u>1</u></u>

The provision for deferred taxation is made up as follows:

	2018 £000	2017 £000
Accelerated capital allowances	<u>1</u>	<u>2</u>

13. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
101 (2017 - 101) Ordinary shares of £1.00 each	<u>101</u>	<u>101</u>

**Notes to the Financial Statements
For the Year Ended 31 August 2018**

14. Reserves

Profit and loss account

The profit and loss account represents cumulative profit or losses, net of dividends paid and other adjustments. The reserve includes non-distributable reserves of £11,000 (2017 - £12,000).

15. Disposals

During the year, the Company sold the trade and associated assets of a division.

The net assets/(liabilities) disposed of were as follows;

		£000
Stocks	54	
Debtors	62	
Creditors	(88)	
	<hr/>	28
Satisfied by:		
Payment by acquirer		(28)
		<hr/>
Profit on disposal		<hr/> <hr/>

16. Contingent liabilities

There is a cross guarantee over the Lloyds Bank facility between Rical Limited, Rical Investments Limited, H.A.Light,Limited and H.A. Light Findings Limited. At the year end the potential liability was £172,000 (2017 - £2,185,000).

17. Pension commitments

The company participate a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £3,074 (2017 - £2,902).

**Notes to the Financial Statements
For the Year Ended 31 August 2018**

18. Related party transactions

The company has taken advantage of the exemption available under Section 1A of Financial Reporting Standard 102 not to disclose transactions with members of the Group headed by Rical Limited and other related parties where those transactions are conducted under normal market conditions.

On 30 August 2018, the Company sold the trade and associated assets of its Findings operation to a company in which the director is a 60% shareholder, for consideration equal to the value of the net liabilities of the division on that date.

19. Controlling party

The company's immediate parent company is H.A.Light,Limited. The company's ultimate parent company is Rical Limited. Both H.A.Light,Limited and Rical Limited are companies registered in England and Wales under the same address given on the Company Information page.

The ultimate controlling party is B P Head by virtue of his 100% shareholding in Rical Limited.

20. Auditor's information

The auditor's report on the financial statements for the year ended 31 August 2018 was unqualified.

The audit report was signed on 20 March 2019 by Mark Hargate FCA (Senior Statutory Auditor) on behalf of Dains LLP.