

Company Registration No. 02076179 (England and Wales)

HALL CONSTRUCTION SERVICES LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019



HALL CONSTRUCTION SERVICES LIMITED

COMPANY INFORMATION

Directors	S Hall N J Hall
Company number	02076179
Registered office	Stotforth Hill Farm, Windlestone Ferryhill Co Durham
Auditor	Haines Watts Sterling House 22 St Cuthberts Way Darlington Co Durham
Bankers	Barclays Bank plc 27/31 High Row Darlington Co Durham
Solicitors	Smith Roddam 56 North Bondgate Bishop Auckland Co Durham

HALL CONSTRUCTION SERVICES LIMITED

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HALL CONSTRUCTION SERVICES LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 JANUARY 2019

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

Fair review of the business

The board are pleased with the progress the group has made this financial year, with a growth in group turnover from £30.0m to £33.3m. The group has managed this successfully by utilising its assets in a more efficient manner and beginning to see returns from a period of investment into new plant and equipment. The group hopes to see similar growth in the year ahead and continues to hold no long term loans or mortgages.

The Directors are encouraged by the overall performance of the company.

Principal risks and uncertainties

The principal risks and uncertainties facing the group are credit and operational risk. The group seeks to minimise operational risk through clearly defined responsibilities for management and staff and regular self-assessment of the operational set-up to identify any weaknesses covering credit risk, legal compliance and systems functions.

The group mainly trades with long standing customers, the nature of these relationships assist management in controlling its credit risk in addition to the normal credit management. The group is committed to maintaining high standards of health and safety and it is the aim of the group to exceed the requirements of relevant health and safety legislation.

Key performance indicators

The group's key financial performance indicators for the year were:

	2019	2018
Turnover	£33.3m	£30.0m
Profit before tax	£5.3m	£3.2m
Cash at bank	£10.3m	£10.6m
Shareholders funds	£51.7m	£47.0m

Other information and explanations

Construction Division

The group is pleased to report the trading period in construction has been as expected, with turnover and profit at levels in keeping with other similar businesses operating in the area. It is clear that there is insufficient work in the North East of England for the competing companies, which has resulted in low profit margins.

Earthworks & Land Reclamation Division

The group continues to offer its services in earthworks and operates on a number of sites across the UK. It has been awarded a number of contracts which will continue throughout 2019.

The group has built a relationship with the Scottish Mines Restoration Trust, in restoring Scottish Coal open cast sites, which it hopes will flourish in the future.

The group's major earthworks contract in Newark, Nottinghamshire has entered its third year and seen great investment in machinery to permit successful operation of the tendered works.

HALL CONSTRUCTION SERVICES LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2019

Other information and explanations (continued)

Coal and Mineral Exploration

Coal mining has ceased in spring 2016 and the directors have voted not to continue active involvement in coal extraction, however the reclamation and restoration of previously worked sites will continue.

The group has interests in 3 coal sites with planning consent available; however we will not extract coal at this time and will continue to retain our interests.

As a result of the demise of the coal mining industry and use of coal in UK power stations, the group has diversified its interests and reapplied knowledge in other areas. Expertise in coal mining have now been developed to mine gypsum.

On behalf of the board

.....
S Hall
Director
9/10/19
.....

HALL CONSTRUCTION SERVICES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JANUARY 2019

The directors present their annual report and financial statements for the year ended 31 January 2019.

Principal activities

The principal activities of the group are civil engineering, earthmoving, mineral extraction and blending, and plant hire.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

S Hall

N J Hall

G Hutchinson

(Resigned 31 December 2018)

Results and dividends

The results for the year are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

Auditor

In accordance with the company's articles, a resolution proposing that Haines Watts be reappointed as auditor of the group will be put at a General Meeting.

Statement of directors' responsibilities

The directors are responsible 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 group and company, and of the profit or loss of the group 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 UK 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 group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

HALL CONSTRUCTION SERVICES LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2019

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

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S Hall
Director
9/10/19
.....

HALL CONSTRUCTION SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HALL CONSTRUCTION SERVICES LIMITED

Opinion

We have audited the financial statements of Hall Construction Services Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 January 2019 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows, the company statement of cash flows and 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 FRS 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 group's and the parent company's affairs as at 31 January 2019 and of the group's 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 *Auditor's 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 group's or the parent 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 included in the annual report, other than the financial statements and our auditor's report 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.

HALL CONSTRUCTION SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF HALL CONSTRUCTION SERVICES LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report 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 group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 is 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 an auditor's report 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

HALL CONSTRUCTION SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF HALL CONSTRUCTION SERVICES LIMITED

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 an auditor's report 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.

S Easton

Stephen Easton FCA (Senior Statutory Auditor)
for and on behalf of Haines Watts

10/10/19
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Chartered Accountants and
Statutory Auditor

Sterling House
22 St Cuthberts Way
Darlington
Co Durham

HALL CONSTRUCTION SERVICES LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 JANUARY 2019

	Notes	2019 £	2018 £
Turnover	3	33,312,899	30,055,308
Cost of sales		(26,695,951)	(25,932,895)
Gross profit		6,616,948	4,122,413
Administrative expenses		(2,366,357)	(1,887,254)
Other operating income		79,734	108,501
Operating profit	4	4,330,325	2,343,660
Interest receivable and similar income	8	1,007,359	854,501
Interest payable and similar expenses	9	(1,340)	(156)
Profit before taxation		5,336,344	3,198,005
Tax on profit	10	(593,160)	(793,682)
Profit for the financial year	25	4,743,184	2,404,323

Profit for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

The profit and loss account has been prepared on the basis that all operations are continuing operations.

HALL CONSTRUCTION SERVICES LIMITED

GROUP BALANCE SHEET

AS AT 31 JANUARY 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	12	17,585,432		14,088,710	
Investments	13	4,515,550		3,983,109	
		<u>22,100,982</u>		<u>18,071,819</u>	
Current assets					
Stocks	17	11,796,766		12,720,999	
Debtors	18	6,276,017		4,885,633	
Investments	19	10,421,977		9,629,224	
Cash at bank and in hand		10,302,031		10,643,914	
		<u>38,796,791</u>		<u>37,879,770</u>	
Creditors: amounts falling due within one year	20	<u>(8,274,634)</u>		<u>(7,994,499)</u>	
Net current assets		30,522,157		29,885,271	
Total assets less current liabilities		<u>52,623,139</u>		<u>47,957,090</u>	
Provisions for liabilities	21	<u>(928,508)</u>		<u>(1,005,643)</u>	
Net assets		<u>51,694,631</u>		<u>46,951,447</u>	
Capital and reserves					
Called up share capital	24	2,722,749		2,722,749	
Profit and loss reserves	25	48,971,882		44,228,698	
Total equity		<u>51,694,631</u>		<u>46,951,447</u>	

The financial statements were approved by the board of directors and authorised for issue on 9/10/19 and are signed on its behalf by:

S Hall
Director



HALL CONSTRUCTION SERVICES LIMITED

COMPANY BALANCE SHEET

AS AT 31 JANUARY 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	12	14,770,188		11,033,041	
Investments	13	13,951,249		13,951,249	
		<u>28,721,437</u>		<u>24,984,290</u>	
Current assets					
Stocks	17	2,205,479		3,146,613	
Debtors	18	6,271,900		4,806,115	
Investments	19	7,652,035		7,427,028	
Cash at bank and in hand		8,020,670		8,841,952	
		<u>24,150,084</u>		<u>24,221,708</u>	
Creditors: amounts falling due within one year	20	(4,940,472)		(4,607,684)	
Net current assets		<u>19,209,612</u>		<u>19,614,024</u>	
Total assets less current liabilities		<u>47,931,049</u>		<u>44,598,314</u>	
Provisions for liabilities	21	(853,349)		(901,016)	
Net assets		<u>47,077,700</u>		<u>43,697,298</u>	
Capital and reserves					
Called up share capital	24	250,000		250,000	
Profit and loss reserves	25	46,827,700		43,447,298	
Total equity		<u>47,077,700</u>		<u>43,697,298</u>	

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £3,380,402 (2018 - £3,440,929 profit).

The financial statements were approved by the board of directors and authorised for issue on 9/10/19 and are signed on its behalf by:

S Hall
Director

Company Registration No. 2076179

HALL CONSTRUCTION SERVICES LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 JANUARY 2019

	Share capital £	Profit and loss reserves £	Total £
Balance at 1 February 2017	2,722,749	41,824,375	44,547,124
Year ended 31 January 2018:			
Profit and total comprehensive income for the year	-	2,404,323	2,404,323
Balance at 31 January 2018	2,722,749	44,228,698	46,951,447
Year ended 31 January 2019:			
Profit and total comprehensive income for the year	-	4,743,184	4,743,184
Balance at 31 January 2019	2,722,749	48,971,882	51,694,631

HALL CONSTRUCTION SERVICES LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 JANUARY 2019

	Share capital £	Profit and loss reserves £	Total £
Balance at 1 February 2017	250,000	40,006,369	40,256,369
Year ended 31 January 2018:			
Profit and total comprehensive income for the year	-	3,440,929	3,440,929
Balance at 31 January 2018	250,000	43,447,298	43,697,298
Year ended 31 January 2019:			
Profit and total comprehensive income for the year	-	3,380,402	3,380,402
Balance at 31 January 2019	250,000	46,827,700	47,077,700

HALL CONSTRUCTION SERVICES LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JANUARY 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Cash generated from operations	27	5,401,005		6,184,709	
Interest paid		(1,340)		(156)	
Income taxes paid		(5,509)		(22,886)	
Net cash inflow from operating activities		5,394,156		6,161,667	
Investing activities					
Purchase of tangible fixed assets		(6,680,477)		(3,948,846)	
Proceeds on disposal of tangible fixed assets		1,262,273		1,232,058	
Proceeds on disposal of associates		(532,441)		(310,134)	
Proceeds from other investments and loans		(792,753)		(2,324,705)	
Interest received		346,917		59,661	
Dividends received		128,000		484,705	
Other investment income received		532,442		310,135	
Net cash used in investing activities		(5,736,039)		(4,497,126)	
Net (decrease)/increase in cash and cash equivalents		(341,883)		1,664,541	
Cash and cash equivalents at beginning of year		10,643,914		8,979,373	
Cash and cash equivalents at end of year		10,302,031		10,643,914	

HALL CONSTRUCTION SERVICES LIMITED

COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JANUARY 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Cash generated from operations	28	5,002,888		6,207,363	
Interest paid		(1,340)		(156)	
Income taxes paid		(3,089)		(22,886)	
Net cash inflow from operating activities		<u>4,998,459</u>		<u>6,184,321</u>	
Investing activities					
Purchase of tangible fixed assets		(6,651,269)		(3,945,848)	
Proceeds on disposal of tangible fixed assets		656,701		970,058	
Proceeds from other investments and loans		(225,007)		(2,233,470)	
Interest received		271,834		56,166	
Dividends received		128,000		393,470	
Net cash used in investing activities		<u>(5,819,741)</u>		<u>(4,759,624)</u>	
Net (decrease)/increase in cash and cash equivalents		<u>(821,282)</u>		<u>1,424,697</u>	
Cash and cash equivalents at beginning of year		8,841,952		7,417,255	
Cash and cash equivalents at end of year		<u><u>8,020,670</u></u>		<u><u>8,841,952</u></u>	

HALL CONSTRUCTION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2019

1 Accounting policies

Company information

Hall Construction Services Limited is a company limited by shares incorporated in England and Wales. The registered office is Stotforth Hill Farm, Windlestone, Ferryhill, Co. Durham .

The group's principal activity is that of the provision of construction services and hire of plant.

The group consists of Hall Construction Services Limited and all of its subsidiaries.

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.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £3,380,402 (2018 - £3,440,929 profit).

1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

HALL CONSTRUCTION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2019

1 Accounting policies

(Continued)

The consolidated financial statements incorporate those of Hall Construction Services Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Investments in associates are recognised initially in the consolidated statement of financial position at the transaction price and subsequently adjusted to reflect the group's share of total comprehensive income and equity of the associated, less any impairment.

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods).

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Freehold	Straight line over fifty years
Plant and machinery	15% - 25% Reducing balance
Fixtures, fittings & equipment	15% - 25% Reducing balance
Motor vehicles	25% Reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

HALL CONSTRUCTION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2019

1 Accounting policies

(Continued)

1.6 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.7 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

1.8 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.

Work in progress in respect of contracting services is valued at the gross amount of work certified at the balance sheet date.

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.

1.9 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.

HALL CONSTRUCTION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2019

1 Accounting policies

(Continued)

1.10 Financial instruments

The group 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 group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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.

Loans and receivables

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables'. Loans and receivables are measured at amortise cost using the effective interest method, less any impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Classification of 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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.11 Equity instruments

Equity instruments issued by the group 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 group.

HALL CONSTRUCTION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2019

1 Accounting policies

(Continued)

1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

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 group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date. Current tax assets and liabilities are offset to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These 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 liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.13 Provisions

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

1.14 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.

HALL CONSTRUCTION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2019

1 Accounting policies

(Continued)

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

1.16 Leases

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.17 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Judgements and key sources of estimation uncertainty

In the application of the group'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.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Determine whether there are indicators of impairment of the groups tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future performance of the asset.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

HALL CONSTRUCTION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2019

3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2019 £	2018 £
Turnover analysed by class of business		
Sales	33,312,899	30,055,308

	2019 £	2018 £
Other significant revenue		
Interest income	346,917	384,366
Dividends received	128,000	160,000
Grants received	15,482	20,474

4 Operating profit

	2019 £	2018 £
Operating profit for the year is stated after charging/(crediting):		
Government grants	(15,482)	(20,474)
Depreciation of owned tangible fixed assets	2,599,748	1,811,442
Profit on disposal of tangible fixed assets	(678,266)	(726,909)
Amortisation of intangible assets	-	193,872
Cost of stocks recognised as an expense	6,866,077	6,466,202

5 Auditor's remuneration

	2019 £	2018 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	7,000	7,000

6 Employees

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

	Group 2019 Number	2018 Number	Company 2019 Number	2018 Number
Total	163	129	160	124

HALL CONSTRUCTION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2019

6 Employees

(Continued)

Their aggregate remuneration comprised:

	Group 2019 £	2018 £	Company 2019 £	2018 £
Wages and salaries	5,374,426	4,793,715	5,148,071	4,580,696
Social security costs	538,669	479,346	516,951	459,343
Pension costs	238,601	149,872	232,829	145,519
	<u>6,151,696</u>	<u>5,422,933</u>	<u>5,897,851</u>	<u>5,185,558</u>

7 Directors' remuneration

	2019 £	2018 £
Remuneration for qualifying services	104,242	104,301
Company pension contributions to defined contribution schemes	44,057	24,469
	<u>148,299</u>	<u>128,770</u>

8 Interest receivable and similar income

	2019 £	2018 £
Interest income		
Interest on bank deposits	54,126	59,661
Other interest income	38	-
Total interest revenue	<u>54,164</u>	<u>59,661</u>
Other income from investments		
Gains on financial instruments measured at fair value through profit or loss	292,753	324,705
Total income excluding fixed asset investments	<u>346,917</u>	<u>384,366</u>
Income from fixed asset investments		
Income from shares in group undertakings	128,000	160,000
Income from participating interests - associates	532,442	310,135
Total income	<u>1,007,359</u>	<u>854,501</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	54,126	59,661
Interest on financial assets measured at fair value through profit or loss	292,753	324,705

HALL CONSTRUCTION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2019

9 Interest payable and similar expenses

	2019 £	2018 £
Other finance costs:		
Other interest	1,340	156
	<u> </u>	<u> </u>

10 Taxation

	2019 £	2018 £
Current tax		
UK corporation tax on profits for the current period	341,503	64,598
Adjustments in respect of prior periods	(97,645)	61,441
	<u> </u>	<u> </u>
Total current tax	243,858	126,039
	<u> </u>	<u> </u>
Deferred tax		
Origination and reversal of timing differences	349,302	667,643
	<u> </u>	<u> </u>
Total tax charge	593,160	793,682
	<u> </u>	<u> </u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2019 £	2018 £
Profit before taxation	5,336,344	3,198,005
	<u> </u>	<u> </u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	1,013,905	607,621
Tax effect of expenses that are not deductible in determining taxable profit	326	3,392
Tax effect of utilisation of tax losses not previously recognised	(47,163)	-
Adjustments in respect of prior years	(97,645)	61,441
Depreciation on assets not qualifying for tax allowances	-	20,257
Deferred tax adjustments in respect of prior years	-	(51,465)
Dividend income	(125,484)	(30,400)
Other timing differences	(150,779)	182,836
	<u> </u>	<u> </u>
Taxation charge	593,160	793,682
	<u> </u>	<u> </u>

HALL CONSTRUCTION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2019

11 Intangible fixed assets

Group	Goodwill £
Cost	
At 1 February 2018 and 31 January 2019	2,969,358
Amortisation and impairment	
At 1 February 2018 and 31 January 2019	2,969,358
Carrying amount	
At 31 January 2019	-
At 31 January 2018	-

12 Tangible fixed assets

Group	Land and buildings Freehold £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost					
At 1 February 2018	9,360,662	20,533,930	140,471	711,527	30,746,590
Additions	-	6,534,534	-	145,943	6,680,477
Disposals	(75,822)	(2,244,117)	-	(142,250)	(2,462,189)
At 31 January 2019	9,284,840	24,824,347	140,471	715,220	34,964,878
Depreciation and impairment					
At 1 February 2018	2,334,269	13,714,472	88,268	520,871	16,657,880
Depreciation charged in the year	163,046	2,371,499	7,853	57,350	2,599,748
Eliminated in respect of disposals	(30,511)	(1,719,685)	-	(127,986)	(1,878,182)
At 31 January 2019	2,466,804	14,366,286	96,121	450,235	17,379,446
Carrying amount					
At 31 January 2019	6,818,036	10,458,061	44,350	264,985	17,585,432
At 31 January 2018	7,026,393	6,819,458	52,203	190,656	14,088,710

HALL CONSTRUCTION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2019

12 Tangible fixed assets

(Continued)

Company	Land and buildings Freehold	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 February 2018	5,840,360	15,982,915	109,717	678,577	22,611,569
Additions	-	6,505,326	-	145,943	6,651,269
Disposals	-	(1,218,121)	-	(142,250)	(1,360,371)
At 31 January 2019	5,840,360	21,270,120	109,717	682,270	27,902,467
Depreciation and impairment					
At 1 February 2018	1,410,532	9,619,294	57,980	490,722	11,578,528
Depreciation charged in the year	106,060	2,287,246	7,760	56,790	2,457,856
Eliminated in respect of disposals	-	(776,119)	-	(127,986)	(904,105)
At 31 January 2019	1,516,592	11,130,421	65,740	419,526	13,132,279
Carrying amount					
At 31 January 2019	4,323,768	10,139,699	43,977	262,744	14,770,188
At 31 January 2018	4,429,828	6,363,621	51,737	187,855	11,033,041

13 Fixed asset investments

	Notes	Group 2019 £	2018 £	Company 2019 £	2018 £
Investments in subsidiaries	14	-	-	9,550,000	9,550,000
Loans to subsidiaries	14	-	-	3,201,249	3,201,249
Investments in associates	15	4,515,550	3,983,109	1,200,000	1,200,000
		4,515,550	3,983,109	13,951,249	13,951,249

HALL CONSTRUCTION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2019

13 Fixed asset investments

(Continued)

Movements in fixed asset investments Group

Shares in
group
undertakings
and
participating
interests
£

Cost or valuation

At 1 February 2018

3,983,109

Additions

532,441

At 31 January 2019

4,515,550

Carrying amount

At 31 January 2019

4,515,550

At 31 January 2018

3,983,109

Movements in fixed asset investments Company

Shares in
group
undertakings
and
participating
interests
£

Loans to
group
undertakings
£

Total
£

Cost or valuation

At 1 February 2018 and 31 January 2019

10,750,000

3,201,249

13,951,249

Carrying amount

At 31 January 2019

10,750,000

3,201,249

13,951,249

At 31 January 2018

10,750,000

3,201,249

13,951,249

HALL CONSTRUCTION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2019

14 Subsidiaries

Details of the company's subsidiaries at 31 January 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Coal Contractors Limited	As parent company	Plant hire and coal extraction	Ordinary	100.00	
Riddochill Developments Limited	As above	Land reclamation and development	Ordinary	100.00	
Shire Developments (Engine) Limited	As above	Dormant	Ordinary	100.00	
Woodham Golf and Leisure Limited	As above	Golf course	Ordinary	100.00	

15 Associates

Details of associates at 31 January 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Eppleton Quarry Products Limited	As above	Mineral extraction	Ordinary	40.00	

16 Financial instruments

	Group 2019 £	2018 £	Company 2019 £	2018 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	6,177,163	4,457,708	9,374,295	7,579,439
Instruments measured at fair value through profit or loss	10,421,977	9,629,224	7,652,035	7,427,028
Carrying amount of financial liabilities				
Measured at amortised cost	7,238,694	7,437,836	4,010,025	4,084,802

17 Stocks

	Group 2019 £	2018 £	Company 2019 £	2018 £
Raw materials and consumables	281,757	295,707	256,061	259,926
Work in progress	11,515,009	12,425,292	1,949,418	2,886,687
	11,796,766	12,720,999	2,205,479	3,146,613

HALL CONSTRUCTION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2019

18 Debtors

	Group 2019 £	2018 £	Company 2019 £	2018 £
Amounts falling due within one year:				
Trade debtors	4,756,026	2,962,080	4,743,986	2,875,920
Amounts owed by group undertakings	-	-	2,496	17,268
Other debtors	1,421,137	1,495,628	1,426,564	1,485,002
	<u>6,177,163</u>	<u>4,457,708</u>	<u>6,173,046</u>	<u>4,378,190</u>
Deferred tax asset (note 22)	98,854	427,925	98,854	427,925
	<u>6,276,017</u>	<u>4,885,633</u>	<u>6,271,900</u>	<u>4,806,115</u>

19 Current asset investments

	Group 2019 £	2018 £	Company 2019 £	2018 £
Unlisted investments	10,421,977	9,629,224	7,652,035	7,427,028

20 Creditors: amounts falling due within one year

	Group 2019 £	2018 £	Company 2019 £	2018 £
Trade creditors	1,710,476	1,869,898	1,691,199	1,853,268
Amounts owed to group undertakings	-	-	772,323	621,879
Corporation tax payable	341,503	103,153	302,844	103,153
Other taxation and social security	694,437	453,510	627,603	419,729
Other creditors	4,263,550	4,311,635	300,135	375,311
Accruals and deferred income	1,264,668	1,256,303	1,246,368	1,234,344
	<u>8,274,634</u>	<u>7,994,499</u>	<u>4,940,472</u>	<u>4,607,684</u>

21 Provisions for liabilities

	Notes	Group 2019 £	2018 £	Company 2019 £	2018 £
Restoration provision		520,280	617,646	520,280	617,646
Deferred tax liabilities	22	408,228	387,997	333,069	283,370
		<u>928,508</u>	<u>1,005,643</u>	<u>853,349</u>	<u>901,016</u>

HALL CONSTRUCTION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2019

21 Provisions for liabilities

(Continued)

Movements on provisions apart from deferred tax liabilities:

Group	Restoration provision £
At 1 February 2018	617,646
Reversal of provision	(97,366)
At 31 January 2019	520,280

Company	Restoration provision £
At 1 February 2018	617,646
Reversal of provision	(97,366)
At 31 January 2019	520,280

22 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

Group	Liabilities 2019 £	Liabilities 2018 £	Assets 2019 £	Assets 2018 £
Accelerated capital allowances	408,228	387,997	-	-
Tax losses	-	-	-	310,572
Other timing differences	-	-	98,854	117,353
	408,228	387,997	98,854	427,925

Company	Liabilities 2019 £	Liabilities 2018 £	Assets 2019 £	Assets 2018 £
Accelerated capital allowances	333,069	283,370	-	-
Tax losses	-	-	-	310,572
Other timing differences	-	-	98,854	117,353
	333,069	283,370	98,854	427,925

HALL CONSTRUCTION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2019

22 Deferred taxation

(Continued)

	Group 2019 £	Company 2019 £
Movements in the year:		
Asset at 1 February 2018	(39,928)	(144,555)
Charge to profit or loss	349,302	378,770
Liability at 31 January 2019	309,374	234,215

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

23 Retirement benefit schemes

	2019 £	2018 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	238,601	149,872

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

24 Share capital

	Group and company	
	2019 £	2018 £
Ordinary share capital		
Authorised		
250,000 Ordinary shares of £1 each	250,000	250,000
2,472,749 "C" Ordinary non-voting shares of £1 each	2,472,749	2,472,749
	2,722,749	2,722,749
Issued and fully paid		
250,000 Ordinary shares of £1 each	250,000	250,000
2,472,749 "C" Ordinary non-voting shares of £1 each	2,472,749	2,472,749
	2,722,749	2,722,749

25 Reserves

Equity reserve

The profit and loss account reserve represents cumulative profits and losses net of dividends and other adjustments.

26 Financial commitments, guarantees and contingent liabilities

There is a contingent liability of £3,377,525 (2018 : £1,773,076) in respect of bonds, guarantees and indemnities given by the group's bankers on behalf of the group's customers.

HALL CONSTRUCTION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2019

27 Cash generated from group operations

	2019 £	2018 £
Profit for the year after tax	4,743,184	2,404,321
Adjustments for:		
Taxation charged	593,160	793,682
Finance costs	1,340	156
Investment income	(1,007,359)	(854,501)
Gain on disposal of tangible fixed assets	(678,266)	(726,909)
Amortisation and impairment of intangible assets	-	193,872
Depreciation and impairment of tangible fixed assets	2,599,748	1,811,442
Decrease in provisions	(97,366)	(111,080)
Movements in working capital:		
Decrease/(increase) in stocks	924,234	(962,548)
(Increase)/decrease in debtors	(1,719,455)	1,137,480
Increase in creditors	41,785	2,498,794
Cash generated from operations	5,401,005	6,184,709

28 Cash generated from operations - company

	2019 £	2018 £
Profit for the year after tax	3,380,402	3,440,929
Adjustments for:		
Taxation charged	581,550	811,113
Finance costs	1,340	156
Investment income	(399,834)	(449,636)
Gain on disposal of tangible fixed assets	(200,435)	(672,421)
Depreciation and impairment of tangible fixed assets	2,457,856	1,630,027
Decrease in provisions	(97,366)	(111,080)
Movements in working capital:		
Decrease/(increase) in stocks	941,134	(772,660)
(Increase)/decrease in debtors	(1,794,856)	1,210,777
Increase in creditors	133,097	1,120,158
Cash generated from operations	5,002,888	6,207,363