

Company registration number: 1156173

GREATER LONDON HIRE LIMITED

Filleted financial statements

30 April 2017



GREATER LONDON HIRE LIMITED

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GREATER LONDON HIRE LIMITED

Directors and other information

Directors

Robert Scott BA
Rossana Scott, (Appointed 23 May 2017)
Dominic Anthony
Neil Michaeloudis ACA
Cara Hurley (Resigned 21 June 2017)
Zoe Walsh

Secretary Neil Michaeloudis ACA

Company number 1156173

Registered office 14-15 Gateway Mews
London
N11 2UT

Business address 14-15 Gateway Mews
London
N11 2UT

Auditor Venitt and Greaves
115 Craven Park Road
London
N15 6BL

Accountants Hager Stenhouse & Co
206 High Road
London
N15 4NP

Bankers National Westminster Bank PLC
P O Box 4RY
250 Regent Street
London
W1A 3DU

GREATER LONDON HIRE LIMITED

Strategic report Year ended 30 April 2017

Business Review

The directors are pleased with the results for the year and believe the company's profitability and turnover will continue to grow for the foreseeable future.

Liquidity Risk

The company manages its cash and borrowings in order to ensure it has sufficient funds available for its operations and planned expansions. The company's borrowings increased significantly from £20,639 in 2016 to £1,376,588 as a result of mortgage loan taken out to finance the acquisition of its new premises at 14-15 Gateways Mews, London N11 2UT. This has also had a significant effect on its liquidity position. The company however has access to an overdraft facility of £630,000 with the NatWest Bank Plc.

Credit risk

As a standard policy, all customers who wish to trade on credit terms, are subject to our stringent credit verification procedures. Trade debtors, including amounts owed by our drivers, are reviewed on a regular basis and provision made for doubtful debts as deemed necessary.

Financial position

The financial position of the company as at the year just ended is strong, improving on last year's results. Shareholder fund increased by £170,795 to £2,373,220 (£2,202,425 2016) as at 30th April 2017. The increase is due to efficient use of working capital.

Financial Review

The turnover of the company for the year ended increased by approximately 1%. This, though 3% less than the 4% growth achieved in 2016, is still a reflection of steady growth of the company as a result of its consistent policy of investment in technology to deliver improving levels of customer service. Gross margin increased by .66% from 33.63% in 2016 to 34.29% in 2017. Net margin before tax was held at 2% in both 2016 and 2017.

Creditor payment policy

The company prides itself on its reputation for paying suppliers promptly and strictly in accordance with terms agreed. On average, trade creditors at the year end represents 28 (25 in 2016) days purchase.

Equal Opportunity

The company is committed to the principle of equal opportunity in employment by applying employment policies that are fair and equitable.

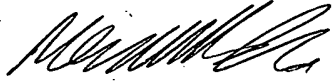
Future development

The company will continue to focus on growth in its current market through acquiring new customers.

GREATER LONDON HIRE LIMITED

**Strategic report (continued)
Year ended 30 April 2017**

This report was approved by the board of directors on 20 March 2018 and signed on behalf of the board by:



Neil Michaeloudis ACA
Secretary



Robert Scott BA
Director

GREATER LONDON HIRE LIMITED

Directors report Year ended 30 April 2017

The directors present their report and the financial statements of the company for the year ended 30 April 2017.

Incorporation

Principal activity of the company is as car, bike and van delivery services.

Directors

The directors who served the company during the year were as follows:

Robert Scott BA
Dominic Anthony
Neil Michaeloudis ACA
Cara Hurley
Zoe Walsh

(Resigned 21 June 2017)

Dividends

The profit for the year, after taxation, amounted to £236,795. Particulars of dividends paid are detailed in the notes to the financial statements.

Future developments

The company will continue to focus on growth in its current market through acquiring new customers.

Financial instruments

The company's objectives are to expand its activities but without putting at risk its profitability or liquidity. Full regard is made to external market conditions and the directors regularly review its procedures in order to safeguard these objectives.

Events after the end of the reporting period

Particulars of events after the reporting period are detailed in note 26 to the financial statements.

Disclosure of information in the strategic report.

Strategic report as required by S414C(11) of the companies Act 2006 (Strategic Report and Directors' Report) Regulation 2013 is detailed on page 1.

GREATER LONDON HIRE LIMITED

Directors report (continued) Year ended 30 April 2017

Directors responsibilities statement

The directors are responsible for preparing the strategic report, directors 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 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 then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- 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.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

This report was approved by the board of directors on 20 March 2018 and signed on behalf of the board by:



Neil Michaeloudis ACA
Secretary



Robert Scott BA
Director

GREATER LONDON HIRE LIMITED

Independent auditor's report to the members of GREATER LONDON HIRE LIMITED Year ended 30 April 2017

We have audited the financial statements of GREATER LONDON HIRE LIMITED for the year ended 30 April 2017 which comprise the statement of income and retained earnings, statement of financial position, statement of cash flows and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standard (United Kingdom Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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.

Respective responsibilities of directors and auditor

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the strategic report and the directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2017 and of its 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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.

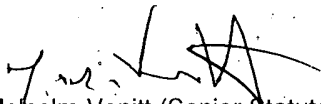
GREATER LONDON HIRE LIMITED

**Independent auditor's report to the members of
GREATER LONDON HIRE LIMITED (continued)
Year ended 30 April 2017**

Matters on which we are required to report by exception

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and the 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.


Malcolm Venitt (Senior Statutory Auditor)

For and on behalf of
Venitt and Greaves
Chartered Accountants and Statutory Auditors
115 Craven Park Road
London
N15 6BL

20 March 2018

GREATER LONDON HIRE LIMITED

**Statement of income and retained earnings
Year ended 30 April 2017**

	Note	2017 £	2016 £
Turnover	4	14,860,715	14,713,335
Cost of sales		(9,764,334)	(9,764,557)
Gross profit		5,096,381	4,948,778
Administrative expenses		(4,746,503)	(4,642,523)
Operating profit	5	349,878	306,255
Other interest receivable and similar income	8	16,436	14,549
Interest payable and similar expenses	9	(71,798)	(22,794)
Profit before taxation		294,516	298,010
Tax on profit	10	(57,721)	(61,436)
Profit for the financial year and total comprehensive income		<u>236,795</u>	<u>236,574</u>
Dividends declared and paid or payable during the year ¹¹		(66,000)	(66,000)
Retained earnings at the start of the year		1,940,731	1,770,157
Retained earnings at the end of the year		<u>2,111,526</u>	<u>1,940,731</u>

All the activities of the company are from continuing operations.

The notes on pages 12 to 25 form part of these financial statements.

GREATER LONDON HIRE LIMITED

**Statement of financial position
30 April 2017**

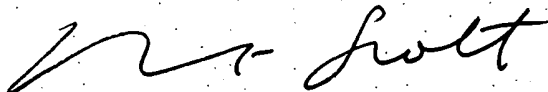
	Note	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	12	2,887,561		793,863	
			2,887,561		793,863
Current assets					
Debtors:					
Amounts falling due after more than one year	13	511,783		419,483	
Amounts falling due within one year	13	3,327,408		2,926,065	
Cash at bank and in hand		11,456		590,883	
		3,850,647		3,936,431	
Creditors: amounts falling due within one year	15	(2,708,568)		(2,525,707)	
Net current assets			1,142,079		1,410,724
Total assets less current liabilities			4,029,640		2,204,587
Creditors: amounts falling due after more than one year	16		(1,636,709)		(20,639)
Provisions for liabilities	18		(19,711)		18,477
Net assets			2,373,220		2,202,425
Capital and reserves					
Called up share capital	22		8,022		8,022
Revaluation reserve	23		253,672		253,672
Profit and loss account	23		2,111,526		1,940,731
Shareholders funds			2,373,220		2,202,425

The notes on pages 12 to 25 form part of these financial statements.

GREATER LONDON HIRE LIMITED

Statement of financial position (continued)
30 April 2017

These financial statements were approved by the board of directors and authorised for issue on 20 March 2018, and are signed on behalf of the board by:



Robert Scott BA
Director

Company registration number: 1156173

The notes on pages 12 to 25 form part of these financial statements.

GREATER LONDON HIRE LIMITED

**Statement of cash flows
Year ended 30 April 2017**

	Note	2017 £	2016 £
Cash flows from operating activities			
Profit for the financial year		236,795	236,574
<i>Adjustments for:</i>			
Depreciation of tangible assets		403,999	279,081
Other interest receivable and similar income		(16,436)	(14,549)
Interest payable and similar expenses		71,798	22,794
Gain/(loss) on disposal of tangible assets		(5,916)	(337)
Tax on profit		57,721	61,436
Accrued expenses/(income)		13,151	77,204
<i>Changes in:</i>			
Trade and other debtors		(493,643)	38,082
Trade and other creditors		(412,699)	301,479
Cash generated from operations		(145,230)	1,001,764
Interest paid		(71,798)	(22,794)
Interest received		16,436	14,549
Tax paid		(129,906)	(61,861)
Net cash (used in)/from operating activities		<u>(330,498)</u>	<u>931,658</u>
Cash flows from investing activities			
Purchase of tangible assets		(2,636,394)	(51,553)
Proceeds from sale of tangible assets		144,613	17,675
Net cash used in investing activities		<u>(2,491,781)</u>	<u>(33,878)</u>
Cash flows from financing activities			
Proceeds from borrowings		1,376,410	255
Payment of finance lease liabilities		542,845	(340,449)
Equity dividends paid		(66,000)	(66,000)
Net cash from/(used in) financing activities		<u>1,853,255</u>	<u>(406,194)</u>
Net increase/(decrease) in cash and cash equivalents		(969,024)	491,586
Cash and cash equivalents at beginning of year	14	590,883	99,297
Cash and cash equivalents at end of year	14	<u>(378,141)</u>	<u>590,883</u>

GREATER LONDON HIRE LIMITED

Notes to the financial statements Year ended 30 April 2017

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 14-15 Gateway Mews, London, N11 2UT.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

Valuation of land and buildings : As described in note 12 to the financial statements, long lease land and buildings are stated at fair value based on valuation performed by an independent professional valuer Last & Mazin, Chartered Surveyors with experience in the location and category of property valued. The valuer used observable market prices adjusted as necessary for any difference in the future, location or condition of the specific asset.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer, usually on despatch of the goods; the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

GREATER LONDON HIRE LIMITED

Notes to the financial statements (continued) Year ended 30 April 2017

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	- 1% straight line
Long leasehold property	- over life of the lease
Short leasehold property	- over life of the lease
Plant and machinery	- 10-33% straight line
Motor vehicles	- 40% reducing balance

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

GREATER LONDON HIRE LIMITED

Notes to the financial statements (continued) Year ended 30 April 2017

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Hire purchase and finance leases

Assets held under finance leases are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

GREATER LONDON HIRE LIMITED

Notes to the financial statements (continued) Year ended 30 April 2017

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in profit or loss in the period in which it arises.

4. Turnover

Turnover arises from:

	2017	2016
	£	£
Rendering of services	14,860,715	14,713,335

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

GREATER LONDON HIRE LIMITED

Notes to the financial statements (continued)
Year ended 30 April 2017

5. Operating profit

Operating profit is stated after charging/(crediting):

	2017	2016
	£	£
Depreciation of tangible assets	403,999	279,081
(Gain)/loss on disposal of tangible assets	(5,916)	(337)
Impairment of trade debtors	6,156	14,802
Operating lease rentals	17,604	14,208
Fees payable for the audit of the financial statements	3,370	3,250
	<u>3,370</u>	<u>3,250</u>

6. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2017	2016
Directors	6	6
Administration	8	8
Production	77	91
	<u>91</u>	<u>105</u>

The aggregate payroll costs incurred during the year were:

	2017	2016
	£	£
Wages and salaries	3,075,431	3,210,675
Social security costs	312,589	325,646
Other pension costs	85,219	71,253
	<u>3,473,239</u>	<u>3,607,574</u>

GREATER LONDON HIRE LIMITED

Notes to the financial statements (continued)
Year ended 30 April 2017

7. Directors remuneration

The directors aggregate remuneration in respect of qualifying services was:

	2017	2016
	£	£
Remuneration	375,207	470,323
Company contributions to pension schemes in respect of qualifying services	19,282	17,329
	394,489	487,652

Remuneration of the highest paid directors in respect of qualifying services:

	2017	2016
	£	£
Aggregate remuneration	100,972	142,200
Company contributions to pension plans in respect of qualifying services	7,235	7,245
	108,207	149,445

8. Other interest receivable and similar income

	2017	2016
	£	£
Other interest receivable and similar income	16,436	14,549
	16,436	14,549

This represents interest at 3.25% (3.25% 2016) charged on advances made to the managing director.

9. Interest payable and similar expenses

	2017	2016
	£	£
Bank loans and overdrafts	30,271	-
Other loans made to the company:		
Finance leases and hire purchase contracts	41,527	22,794
	71,798	22,794

GREATER LONDON HIRE LIMITED

**Notes to the financial statements (continued)
Year ended 30 April 2017**

10. Tax on profit

Major components of tax expense

	2017	2016
	£	£
Current tax:		
UK current tax expense	<u>19,533</u>	<u>99,900</u>
Deferred tax:		
Origination and reversal of timing differences	<u>38,188</u>	<u>(38,464)</u>
Tax on profit	<u><u>57,721</u></u>	<u><u>61,436</u></u>

Reconciliation of tax expense

The tax assessed on the profit for the year is lower than (2016: higher than) the standard rate of corporation tax in the UK of 20.00% (2016: 20.00%).

	2017	2016
	£	£
Profit before taxation	<u>294,516</u>	<u>298,010</u>
Profit multiplied by rate of tax	58,903	59,602
Rounding on tax charge	<u>(1,182)</u>	<u>1,834</u>
Tax on profit	<u><u>57,721</u></u>	<u><u>61,436</u></u>

11. Dividends

Equity dividends

	2017	2016
	£	£
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year)	<u>66,000</u>	<u>66,000</u>

GREATER LONDON HIRE LIMITED

Notes to the financial statements (continued)
Year ended 30 April 2017

12. Tangible assets

	Freehold property	Long leasehold property	Short leasehold property	Plant and machinery	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 May 2016	-	408,862	94,525	486,332	1,066,764	2,056,483
Additions	1,821,982	-	-	261,351	553,061	2,636,394
Disposals	-	-	-	-	(534,288)	(534,288)
At 30 April 2017	<u>1,821,982</u>	<u>408,862</u>	<u>94,525</u>	<u>747,683</u>	<u>1,085,537</u>	<u>4,158,589</u>
Depreciation						
At 1 May 2016	-	20,910	86,201	417,089	738,420	1,262,620
Charge for the year	-	4,259	6,119	79,422	314,199	403,999
Disposals	-	-	-	-	(395,591)	(395,591)
At 30 April 2017	<u>-</u>	<u>25,169</u>	<u>92,320</u>	<u>496,511</u>	<u>657,028</u>	<u>1,271,028</u>
Carrying amount						
At 30 April 2017	<u>1,821,982</u>	<u>383,693</u>	<u>2,205</u>	<u>251,172</u>	<u>428,509</u>	<u>2,887,561</u>
At 30 April 2016	<u>-</u>	<u>387,952</u>	<u>8,324</u>	<u>69,243</u>	<u>328,344</u>	<u>793,863</u>

NatWest Bank holds fixed and floating charge, payable on demand secured over :-
i) the longlease property at 44/48 Waterside , Wharf Road , London N1 7UX and
ii) Freehold property at 14-15 Gateway Mews , London N11 2UT.

No depreciation provided this year on the freehold property because it was undergoing refurbishment and only brought into use after the year end.

GREATER LONDON HIRE LIMITED

Notes to the financial statements (continued)
Year ended 30 April 2017

Tangible assets held at valuation

In respect of tangible assets held at valuation, the aggregate cost, depreciation and comparable carrying amount that would have been recognised if the assets had been carried under the historical cost model are as follows:

	Long leasehold property £	Total £
At 30 April 2017		
Aggregate cost	180,033	180,033
Aggregate depreciation	(1,686)	(1,686)
Carrying amount	<u>178,347</u>	<u>178,347</u>
At 30 April 2016		
Aggregate cost	180,033	180,033
Aggregate depreciation	-	-
Carrying amount	<u>180,033</u>	<u>180,033</u>

The longlease was revalued in 2015 by the directors at £395,000 on transition to FRS102. It is the opinion of the directors that there is no material difference between the existing use value and the open market value of both the freehold and the longleasehold. In the opinion of the Directors, there would be no tax payable if the property was to be realised at this price.

Obligations under finance leases

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	Motor vehicles £
At 30 April 2017	<u>417,075</u>
At 30 April 2016	<u>192,106</u>

GREATER LONDON HIRE LIMITED

**Notes to the financial statements (continued)
Year ended 30 April 2017**

13. Debtors

Debtors falling due within one year are as follows:

	2017	2016
	£	£
Trade debtors	2,488,191	2,214,263
Prepayments and accrued income	640,367	579,516
Other debtors	198,850	132,286
	<u>3,327,408</u>	<u>2,926,065</u>

Debtors falling due after one year are as follows:

	2017	2016
	£	£
Other debtors	<u>511,783</u>	<u>419,483</u>

14. Cash and cash equivalents

	2017	2016
	£	£
Cash at bank and in hand	11,456	590,883
Bank overdrafts	(389,597)	-
	<u>(378,141)</u>	<u>590,883</u>

15. Creditors: amounts falling due within one year

	2017	2016
	£	£
Bank loans and overdrafts	442,991	-
Trade creditors	904,956	803,342
Accruals and deferred income	374,386	372,613
Corporation tax	19,533	99,900
Social security and other taxes	278,921	817,650
Obligations under finance leases	373,109	153,146
Director loan accounts	347	525
Other creditors	314,325	278,531
	<u>2,708,568</u>	<u>2,525,707</u>

Included in Bank loans and overdraft is :-

- i) Bank Overdraft of £389,597
- i) Bank loans £117,747. See note 16 for explanatory notes.

GREATER LONDON HIRE LIMITED

Notes to the financial statements (continued)
Year ended 30 April 2017

16. Creditors: amounts falling due after more than one year

	2017	2016
	£	£
Bank loans and overdrafts	1,197,157	-
Obligations under finance leases	313,515	20,639
Other creditors	126,037	-
	1,636,709	20,639

Bank loans and Overdraft represent £1,197,157 2.5% secured fixed interest rate mortgage loan for the acquisition of 14-15 Gateway Mews, N11 2UT.

Other creditors represents £126,037 secured variable interest rate loan to assist in the refurbishment of 14-15 Gateway Mews, N11 2UT and moving cost to the premises.

17. Obligations under finance leases

Company lessee

The total future minimum lease payments under finance lease agreements are as follows:

	2017	2016
	£	£
Not later than 1 year	373,109	153,146
Later than 1 year and not later than 5 years	313,515	20,639
	686,624	173,785
Present value of minimum lease payments	686,624	173,785

During the year the company entered into finance lease arrangements in respect of motor vehicles with a capital value at the inception of the lease of £503,201 (2016 £16,961).

18. Provisions

	Deferred tax (note 19)	Total
	£	£
At 1 May 2016	(18,477)	(18,477)
Additions	38,188	38,188
At 30 April 2017	19,711	19,711

GREATER LONDON HIRE LIMITED

Notes to the financial statements (continued)
Year ended 30 April 2017

19. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2017	2016
	£	£
Included in provisions (note 18)	19,711	(18,477)
	<u>19,711</u>	<u>(18,477)</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2017	2016
	£	£
Accelerated capital allowances	38,188	(38,464)
	<u>38,188</u>	<u>(38,464)</u>

20. Employee benefits

The amount recognised in profit or loss in relation to defined contribution plans was £85,219 (2016: £71,253).

21. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2017	2016
	£	£
Financial assets that are debt instruments measured at amortised cost		
Trade debtors	2,488,191	2,214,263
Other debtors	1,216,124	1,026,415
Cash at bank and in hand	4,397	587,085
	<u>3,708,712</u>	<u>3,827,763</u>
Financial liabilities measured at amortised cost		
Bank and other loans	1,766,185	-
Trade creditors	904,956	803,342
Other creditors	1,395,393	806,834
	<u>4,066,534</u>	<u>1,610,176</u>

Financial assets measured at amortised cost comprise cash at bank and in hand, accrued income, trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise bank loans, trade creditors, finance lease obligations, deferred income, and other creditors.

GREATER LONDON HIRE LIMITED

Notes to the financial statements (continued)
Year ended 30 April 2017

**22. Called up share capital
 Issued, called up and fully paid**

	2017		2016	
	No	£	No	£
Ordinary shares of £ 1.00 each	8,000	8,000	8,000	8,000
Ordinary A non voting shares of £ 1.00 each	22	22	22	22
	<u>8,022</u>	<u>8,022</u>	<u>8,022</u>	<u>8,022</u>

23. Reserves

Revaluation reserve :

This reserve records the value of asset revaluations and fair value movements on assets recognised in the other comprehensive income.

Profit and loss account:

This reserve records retained earnings and accumulated losses.

24. Operating leases

The company as lessee

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2017	2016
	£	£
Not later than 1 year	451,529	689,226
Later than 1 year and not later than 5 years	327,016	78,115
	<u>778,545</u>	<u>767,341</u>

This represents the company's annual commitments in respect of:- Other assets: -within 1 year-£435,540 (2016 593,237) ; 2-5 years- £327,016 (2016-£73,400) and Land and Buildings :- within 1 year- £15,989 (2016- £95,989); 2-5 years £ 0.00 (2016-£15,989).

25. Contingent assets and liabilities

There were no contingent liabilities recorded during the year.

26. Events after the end of the reporting period

Greater London Hire Ltd. acquired the leasehold of Unit 11, Great Cambridge Industrial Estate, Lincoln Road, Enfield EN1 1SH; and the sub-lease of Unit F Project Park 2D / 1 North Crescent, Canning Town, E16 4QT in July 2017. The company also acquired the customer list of E Connect Ltd in November 2017. The company is also in the process of disposing of its interest in the lease of 44/48 Waterside, Wharf Road, N1 7UX.

GREATER LONDON HIRE LIMITED

Notes to the financial statements (continued)
Year ended 30 April 2017

27. Summary audit opinion

The auditor's report for the year dated 20 March 2018 was unqualified.

The senior statutory auditor was Malcolm Venitt, for and on behalf of Venitt and Greaves.

28. Directors advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

	2017			
	Balance brought forward	Advances /(credits) to the directors	Amounts repaid	Balance o/standing
	£	£	£	£
Robert Scott BA	418,958	92,300	178	511,436
	<u>418,958</u>	<u>92,300</u>	<u>178</u>	<u>511,436</u>
	2016			
	Balance brought forward	Advances /(credits) to the directors	Amounts repaid	Balance o/standing
	£	£	£	£
Robert Scott BA	344,730	74,483	(255)	418,958
	<u>344,730</u>	<u>74,483</u>	<u>(255)</u>	<u>418,958</u>

The advances, as listed above, were charged at the official rate of interest of 3.25% (3.25%: 2016). Interest, in subsequent years, will be set at the prevailing official rate. Each loan advance is repayable 10 years from date of receipt.

29. Related party transactions

During the year dividends were paid to the following directors: Mr R. Scott- 77.27% non voting class 1A ordinary shares £51,000 (2016 £51,000) and Mr Ian Ross Gibbons- 22.73% non voting class 1A ordinary shares £15,000 (2016 £15,000).

30. Controlling party

Mr R. Scott, the managing director, controls the company by virtue of a controlling interest, directly or indirectly, of 99% of the ordinary voting share capital of the company.

GREATER LONDON HIRE LIMITED

The following pages do not form part of the statutory accounts.

GREATER LONDON HIRE LIMITED

Year ended 30 April 2017

	2017 £	2016 £
Turnover		
Sales	14,860,715	14,713,335
	<u>14,860,715</u>	<u>14,713,335</u>
Cost of sales		
Direct costs	(9,764,334)	(9,764,557)
	<u>(9,764,334)</u>	<u>(9,764,557)</u>
Gross profit	<u>5,096,381</u>	<u>4,948,778</u>
Gross profit percentage	34.3%	33.6%
Overheads		
Administrative expenses		
Wages and salaries	(2,700,224)	(2,740,352)
Directors' remuneration	(375,207)	(470,323)
Employer's NI contributions	(312,589)	(325,646)
Directors pension costs - administrative costs	(19,282)	(17,329)
Staff pension costs - administrative costs	(65,937)	(53,924)
Rent payable	(166,808)	(140,328)
Insurance	(26,807)	(25,182)
Leasing of office equipment	(17,604)	(14,208)
Light and heat	(22,977)	(24,511)
Canteen & Cleaning	(33,920)	(32,892)
Repairs and maintenance	(38,361)	(39,072)
Printing, postage and stationery	(16,108)	(17,704)
Advertising - sales & general	(89,270)	(74,463)
Advertising - recruitment	(42,717)	(31,943)
Telephone	(44,471)	(49,403)
Computer costs	(132,130)	(118,227)
Hire of equipment	(2,401)	(3,914)
Travelling and entertainment	(14,145)	(15,926)
Legal and professional	(42,119)	(33,455)
Consultancy fees	(4,000)	(6,610)
Accountancy fees	(22,000)	(19,750)
Auditors remuneration	(3,370)	(3,250)
Bank charges	(48,018)	(23,015)
Bad debts	(6,156)	(14,802)
Staff training & welfare	(16,433)	-
General expenses	(85,366)	(67,550)
Depreciation of tangible assets	(403,999)	(268,884)
Amortisation of longleasehold	-	(3,524)
Amortisation of shortleasehold	-	(6,673)
(Gain)/loss on disposal of tangible assets	5,916	337

GREATER LONDON HIRE LIMITED

Year ended 30 April 2017

	2017	2016
	£	£
	<u>(4,746,503)</u>	<u>(4,642,523)</u>
Operating profit	349,878	306,255
Operating profit percentage	2.4%	2.1%
Other interest receivable and similar income	16,436	14,549
Interest payable and similar charges	<u>(71,798)</u>	<u>(22,794)</u>
Profit before taxation	<u><u>294,516</u></u>	<u><u>298,010</u></u>