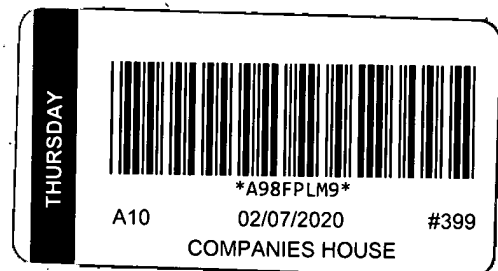


Company registration number: 1156173

**GREATER LONDON HIRE LIMITED**

**Financial statements**

**30 April 2019**



# GREATER LONDON HIRE LIMITED

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**GREATER LONDON HIRE LIMITED**

**Directors and other information**

<b>Directors</b>	Robert Scott BA Rossana Scott, Dominic Anthony Neil Michaeloudis ACA Zoe Walsh
<b>Secretary</b>	Neil Michaeloudis ACA
<b>Company number</b>	1156173
<b>Registered office</b>	14-15 Gateway Mews London N11 2UT
<b>Business address</b>	14-15 Gateway Mews London N11 2UT
<b>Auditor</b>	Sugarwhite Meyer Accountants Ltd. First Floor 94 Stamford Hill London N16 6XS
<b>Bankers</b>	National Westminster Bank PLC. P O Box 4RY 250 Regent Street London W1A 3DU

## GREATER LONDON HIRE LIMITED

### Strategic report Year ended 30 April 2019

#### **Business Review**

The directors are disappointed with the results for the year, and initiated a cost cutting exercise since the year end which includes, among other measures, the closing of the Enfield office and reducing the number of company vehicles.

#### **Liquidity Risk**

The company manages its cash and borrowings in order to ensure it has sufficient funds available for its operations and in this regard the company has secured an invoice discounting facility with Close Brothers of £1,000,000.

#### **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. All new accounts are reviewed against Experian credit rating agency before Account Facility is granted.

#### **Financial position**

The financial position of the company as at the year just ended is strong, with a slight improvement on last year's results. Shareholders funds increased by £7 to £2,302,642 ( £2,302,635 2018) as at 30th April 2019. The company expects the financial position in the following year to weaken noticeably because of the COVID 19 negative impact on business operations.

#### **Financial Review**

The turnover of the company for the year ended decreased by 4% (2018 3% ). The company expects the turnover to fall in the coming year due to competitive forces and the COVID-19 impact.

#### **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 30 (26 in 2018) 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.

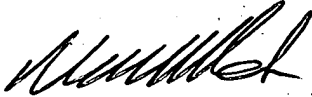
#### **Future development**

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

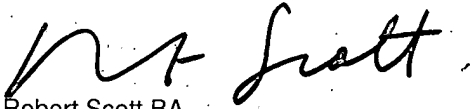
**GREATER LONDON HIRE LIMITED**

**Strategic report (continued)**  
**Year ended 30 April 2019**

This report was approved by the board of directors on 12 June 2020 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 2019

The directors present their report and the financial statements of the company for the year ended 30 April 2019.

#### **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  
Rossana Scott,  
Dominic Anthony  
Neil Michaeloudis ACA  
Zoe Walsh

#### **Dividends**

Profit for the year, after taxation, amounted to £33,009 (2018 loss of £128,723). 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 27 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 2019**

**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.

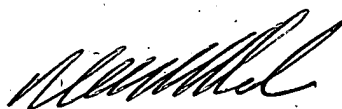
**Auditor**

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 12 June 2020 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 2019**

#### **Opinion**

We have audited the financial statements of GREATER LONDON HIRE LIMITED (the 'company') for the year ended 30 April 2019 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, 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 company's affairs as at 30 April 2019 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.

#### **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 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.



## GREATER LONDON HIRE LIMITED

### Independent auditor's report to the members of GREATER LONDON HIRE LIMITED (continued) Year ended 30 April 2019

#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the 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 has 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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, 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.

#### 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 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 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

**GREATER LONDON HIRE LIMITED**

**Independent auditor's report to the members of  
GREATER LONDON HIRE LIMITED (continued)  
Year ended 30 April 2019**

- Conclude on the appropriateness of the directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**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 auditors 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.



Emanuel Meyer (Senior Statutory Auditor)

For and on behalf of  
Sugarwhite Meyer Accountants Ltd.  
Chartered Accountants and Statutory Auditor  
First Floor  
94 Stamford Hill  
London  
N16 6XS

12 June 2020

**GREATER LONDON HIRE LIMITED**

**Statement of comprehensive income  
Year ended 30 April 2019**

	Note	2019 £	2018 £
<b>Turnover</b>	<b>4</b>	13,811,673	14,407,698
Cost of sales		(9,277,709)	(9,551,519)
<b>Gross profit</b>		4,533,964	4,856,179
Administrative expenses		(4,475,994)	(4,893,243)
<b>Operating profit/(loss)</b>	<b>5</b>	57,970	(37,064)
Other interest receivable and similar income	<b>8</b>	17,194	17,586
Interest payable and similar expenses	<b>9</b>	(63,372)	(117,135)
<b>Profit/(loss) before taxation</b>		11,792	(136,613)
Tax on profit/(loss)	<b>10</b>	21,217	7,890
<b>Profit/(loss) for the financial year</b>		33,009	(128,723)
Revaluation of tangible assets		-	91,138
Reclassification from revaluation reserve to profit and loss account		344,810	-
<b>Other comprehensive income for the year</b>		344,810	91,138
<b>Total comprehensive income for the year</b>		377,819	(37,585)

All the activities of the company are from continuing operations.

The notes on pages 14 to 29 form part of these financial statements.

GREATER LONDON HIRE LIMITED

Statement of financial position  
30 April 2019

	Note	2019		2018	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	12	52,207		146,862	
Tangible assets	13	2,153,176		2,942,639	
			2,205,383		3,089,501
<b>Current assets</b>					
Debtors:					
Amounts falling due after more than one year	14	574,937		554,145	
Amounts falling due within one year	14	3,492,602		3,170,858	
Cash at bank and in hand		6,063		8,793	
		4,073,602		3,733,796	
<b>Creditors: amounts falling due within one year</b>	16	(2,844,095)		(3,094,675)	
<b>Net current assets</b>			1,229,507		639,121
<b>Total assets less current liabilities</b>			3,434,890		3,728,622
<b>Creditors: amounts falling due after more than one year</b>	17		(1,149,481)		(1,395,610)
<b>Provisions for liabilities</b>	19		17,233		(30,377)
<b>Net assets</b>			2,302,642		2,302,635
<b>Capital and reserves</b>					
Called up share capital	23		8,022		8,022
Revaluation reserve	24		-		344,810
Profit and loss account	24		2,294,620		1,949,803
<b>Shareholders funds</b>			2,302,642		2,302,635

The notes on pages 14 to 29 form part of these financial statements.

**GREATER LONDON HIRE LIMITED**

**Statement of financial position (continued)**  
**30 April 2019**

These financial statements were approved by the board of directors and authorised for issue on 12 June 2020, and are signed on behalf of the board by:



Robert Scott BA  
Director

Company registration number: 1156173

**The notes on pages 14 to 29 form part of these financial statements.**

**GREATER LONDON HIRE LIMITED**

**Statement of changes in equity  
Year ended 30 April 2019**

	Called up share capital	Revaluation reserve	Profit and loss account	<b>Total</b>
	£	£	£	£
<b>At 1 May 2017</b>	8,022	253,672	2,111,526	2,373,220
Profit/(loss) for the year			(128,723)	(128,723)
Other comprehensive income for the year:				
Revaluation of tangible assets		91,138		91,138
<b>Total comprehensive income for the year</b>	-	91,138	(128,723)	(37,585)
Dividends paid and payable			(33,000)	(33,000)
<b>Total investments by and distributions to owners</b>	-	-	(33,000)	(33,000)
<b>At 30 April 2018 and 1 May 2018</b>	8,022	-	1,949,801	1,957,823
Profit/(loss) for the year			33,009	33,009
Other comprehensive income for the year:				
Reclassification from revaluation reserve to profit and loss account		-	344,810	344,810
<b>Total comprehensive income for the year</b>	-	-	377,819	377,819
Dividends paid and payable			(33,000)	(33,000)
<b>Total investments by and distributions to owners</b>	-	-	(33,000)	(33,000)
<b>At 30 April 2019</b>	8,022	-	2,294,620	2,302,642

**GREATER LONDON HIRE LIMITED**

**Statement of cash flows  
Year ended 30 April 2019**

	Note	2019 £	2018 £
<b>Cash flows from operating activities</b>			
Profit/(loss) for the financial year		33,009	(128,723)
<i>Adjustments for:</i>			
Depreciation of tangible assets		349,333	373,666
Amortisation of intangible assets		67,072	54,937
Other interest receivable and similar income		(17,194)	(17,586)
Interest payable and similar expenses		63,372	117,135
Gain/(loss) on disposal of tangible assets		(47,509)	(35,286)
Tax on profit/loss		(21,217)	(7,890)
Accrued expenses/(income)		(174,717)	(22,812)
<i>Changes in:</i>			
Trade and other debtors		(342,536)	114,188
Trade and other creditors		20,937	335,934
Cash generated from operations		<u>(69,450)</u>	<u>783,563</u>
Interest paid		(63,372)	(117,135)
Interest received		17,194	17,586
Tax paid		61,777	(87,001)
Net cash (used in)/from operating activities		<u><u>(53,851)</u></u>	<u><u>597,013</u></u>
<b>Cash flows from investing activities</b>			
Purchase of tangible assets		(83,217)	(619,902)
Proceeds from sale of tangible assets		576,707	157,172
Purchase of intangible assets		(26,964)	(41,389)
Proceeds from sale of intangible assets		54,547	-
Net cash from/(used in) investing activities		<u><u>521,073</u></u>	<u><u>(504,119)</u></u>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		(200,352)	(14,301)
Payment of finance lease liabilities		(541,709)	79,421
Equity dividends paid		(33,000)	(33,000)
Net cash (used in)/from financing activities		<u><u>(775,061)</u></u>	<u><u>32,120</u></u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		(307,839)	125,014
<b>Cash and cash equivalents at beginning of year</b>	15	<u>(253,127)</u>	<u>(378,141)</u>
<b>Cash and cash equivalents at end of year</b>	15	<u><u>(560,966)</u></u>	<u><u>(253,127)</u></u>

## **GREATER LONDON HIRE LIMITED**

### **Notes to the financial statements Year ended 30 April 2019**

#### **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 13 to the financial statements, long lease land and building is stated at fair value based on its disposal value in May 2018.

##### **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.

When the outcome of a transaction involving the rendering of services can be reliably estimated, 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.

When the outcome of a transaction involving the rendering of services 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 2019

#### 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.

#### Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

#### Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at a revalued amount, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

#### Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	- Acquired goodwill is written off in equal annual instalments over its estimated useful economic life
Softwares	- over its estimated useful economic life

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

## GREATER LONDON HIRE LIMITED

### Notes to the financial statements (continued) Year ended 30 April 2019

#### 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	- 2% 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.

#### 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.

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.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

## GREATER LONDON HIRE LIMITED

### Notes to the financial statements (continued) Year ended 30 April 2019

#### 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.

#### 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.

## GREATER LONDON HIRE LIMITED

### Notes to the financial statements (continued) Year ended 30 April 2019

#### 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:

	2019	2018
	£	£
Rendering of services	13,815,743	14,293,904
Other income	(4,070)	113,794
	<u>13,811,673</u>	<u>14,407,698</u>

Other income is in respect of Loss on disposal of longlease hold interest in 44/48 Wharf Road, ( 2018 : represents statutory compensation for forced vacation of 12-18 High Road, N2 OPJ )

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

#### 5. Operating profit/loss

Operating profit/loss is stated after charging/(crediting):

	2019	2018
	£	£
Amortisation of intangible assets	67,072	54,937
Depreciation of tangible assets	349,333	373,666
(Gain)/loss on disposal of tangible assets	(47,509)	(35,286)
Impairment of trade debtors	56,780	52,260
Operating lease rentals	3,919	8,893
Fees payable for the audit of the financial statements	<u>24,000</u>	<u>4,500</u>

**GREATER LONDON HIRE LIMITED**

**Notes to the financial statements (continued)**  
**Year ended 30 April 2019**

**6. Staff costs**

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

	2019	2018
Production staff	5	6
Distribution staff	8	9
Administrative staff	85	88
	<u>98</u>	<u>103</u>

The aggregate payroll costs incurred during the year were:

	2019	2018
	£	£
Wages and salaries	2,935,205	3,183,207
Social security costs	306,650	318,087
Other pension costs	114,592	97,416
	<u>3,356,447</u>	<u>3,598,710</u>

**7. Directors remuneration**

The directors aggregate remuneration in respect of qualifying services was:

	2019	2018
	£	£
Remuneration	351,795	421,476
Company contributions to pension schemes in respect of qualifying services	16,681	17,051
	<u>368,476</u>	<u>438,527</u>

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

	2019	2018
	£	£
Aggregate remuneration	100,600	113,164
Company contributions to pension plans in respect of qualifying services	5,282	3,389
	<u>105,882</u>	<u>116,553</u>

**8. Other interest receivable and similar income**

	2019	2018
	£	£
Other interest receivable and similar income	<u>17,194</u>	<u>17,586</u>

This represents interest at 2.5% (2.5% 2018) charged on advances made to the managing director.

**GREATER LONDON HIRE LIMITED**

**Notes to the financial statements (continued)**  
**Year ended 30 April 2019**

**9. Interest payable and similar expenses**

	2019	2018
	£	£
Bank loans and overdrafts	45,612	45,343
Other loans made to the company:		
Finance leases and hire purchase contracts	17,760	71,792
	<u>63,372</u>	<u>117,135</u>

**10. Tax on profit/loss**

**Major components of tax income**

	2019	2018
	£	£
<b>Current tax:</b>		
UK current tax expense	26,393	-
Adjustments in respect of previous periods	-	(18,556)
	<u>-</u>	<u>(18,556)</u>
<b>Deferred tax:</b>		
Origination and reversal of timing differences	(47,610)	10,666
	<u>(47,610)</u>	<u>10,666</u>
<b>Tax on profit/loss</b>	<u>(21,217)</u>	<u>(7,890)</u>

**Reconciliation of tax income**

The tax assessed on the profit/loss for the year is lower than (2018: higher than) the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%).

	2019	2018
	£	£
Profit/(loss) before taxation	11,792	(136,613)
	<u>11,792</u>	<u>(136,613)</u>
Profit/(loss) multiplied by rate of tax	2,240	(25,956)
Adjustments in respect of prior periods	-	(18,556)
Effect of capital allowances and depreciation	(15,545)	-
Unrelieved tax losses	-	37,185
Rounding on tax charge	1,115	(563)
Loss on disposal of fixed assets	(9,027)	-
	<u>(15,412)</u>	<u>(18,556)</u>
<b>Tax on profit/loss</b>	<u>(21,217)</u>	<u>(7,890)</u>

**GREATER LONDON HIRE LIMITED**

**Notes to the financial statements (continued)**  
**Year ended 30 April 2019**

**11. Dividends**

**Equity dividends**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year)	33,000	33,000

**12. Intangible assets**

	Goodwill	Intangible assets-user defined	Total
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 May 2018	35,196	222,673	257,869
Additions	1,403	25,561	26,964
Disposals	-	(79,414)	(79,414)
<b>At 30 April 2019</b>	<u>36,599</u>	<u>168,820</u>	<u>205,419</u>
<b>Amortisation</b>			
At 1 May 2018	11,732	99,275	111,007
Charge for the year	24,867	42,205	67,072
Disposals	-	(24,867)	(24,867)
<b>At 30 April 2019</b>	<u>36,599</u>	<u>116,613</u>	<u>153,212</u>
<b>Carrying amount</b>			
<b>At 30 April 2019</b>	<u>-</u>	<u>52,207</u>	<u>52,207</u>
At 30 April 2018	<u>23,464</u>	<u>123,398</u>	<u>146,862</u>

This represents computer softwares which do not form an integral part of the related hardware Licences : a) Freedom Software and b) Other software licences.

**GREATER LONDON HIRE LIMITED**

**Notes to the financial statements (continued)  
Year ended 30 April 2019**

**13. Tangible assets**

	Freehold property	Long leasehold property	Short leasehold property	Plant and machinery	Motor vehicles	<b>Total</b>
	£	£	£	£	£	£
<b>Cost</b>						
At 1 May 2018	1,821,982	500,000	142,678	610,697	999,623	4,074,980
Additions	-	-	1,355	13,008	68,854	83,217
Disposals	-	(500,000)	-	(27,611)	(104,200)	(631,811)
<b>At 30 April 2019</b>	<u>1,821,982</u>	<u>-</u>	<u>144,033</u>	<u>596,094</u>	<u>964,277</u>	<u>3,526,386</u>
<b>Depreciation</b>						
At 1 May 2018	34,970	-	16,592	471,182	609,597	1,132,341
Charge for the year	59,770	-	16,697	85,699	187,167	349,333
Disposals	-	-	-	(25,246)	(83,218)	(108,464)
<b>At 30 April 2019</b>	<u>94,740</u>	<u>-</u>	<u>33,289</u>	<u>531,635</u>	<u>713,546</u>	<u>1,373,210</u>
<b>Carrying amount</b>						
<b>At 30 April 2019</b>	<u>1,727,242</u>	<u>-</u>	<u>110,744</u>	<u>64,459</u>	<u>250,731</u>	<u>2,153,176</u>
At 30 April 2018	<u>1,787,012</u>	<u>500,000</u>	<u>126,086</u>	<u>139,515</u>	<u>390,026</u>	<u>2,942,639</u>

NatWest Bank holds fixed and floating charge, payable on demand secured over freehold property at 14-15 Gateway Mews, London N11 2UT.



**GREATER LONDON HIRE LIMITED**

**Notes to the financial statements (continued)**

**Year ended 30 April 2019**

**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 £
<b>At 30 April 2019</b>		
Aggregate cost	-	-
Aggregate depreciation	-	-
<b>Carrying amount</b>	<u>-</u>	<u>-</u>
<b>At 30 April 2018</b>		
Aggregate cost	180,033	180,033
Aggregate depreciation	(45,374)	(45,374)
<b>Carrying amount</b>	<u>134,659</u>	<u>134,659</u>

It is the opinion of the directors that there is no material difference between the existing use value and the open market value of the freehold and the short-leasehold properties, (2018- The company disposed of its Longlease property at Unit 11 44/48 Wharf Road, N1 7UX, Islington held at a valuation)

**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:

	Plant and machinery £	Motor vehicles £
<b>At 30 April 2019</b>	<u>18,568</u>	<u>176,337</u>
At 30 April 2018	<u>79,414</u>	<u>364,076</u>

**GREATER LONDON HIRE LIMITED**

**Notes to the financial statements (continued)**  
**Year ended 30 April 2019**

**14. Debtors**

Debtors falling due within one year are as follows:

	2019	2018
	£	£
Trade debtors	2,653,085	2,333,917
Prepayments and accrued income	630,434	621,872
Other debtors	209,083	215,069
	<u>3,492,602</u>	<u>3,170,858</u>

Debtors falling due after one year are as follows:

	2019	2018
	£	£
Other debtors	<u>574,937</u>	<u>554,145</u>

This represents amount owed by the managing director to the company. In compliance with ICTA88/S419 now S455 of corporation tax ACT 2010, 32.5% (2018 32.5%) tax deposit is provided for on the amounts advanced and outstanding nine months after the company's accounting year end. See also Note 29.

**15. Cash and cash equivalents**

	2019	2018
	£	£
Cash at bank and in hand	6,063	8,793
Bank overdrafts	(567,029)	(261,920)
	<u>(560,966)</u>	<u>(253,127)</u>

**GREATER LONDON HIRE LIMITED**

**Notes to the financial statements (continued)**  
**Year ended 30 April 2019**

**16. Creditors: amounts falling due within one year**

	2019	2018
	£	£
Bank loans and overdrafts	602,241	410,524
Trade creditors	902,923	804,217
Accruals and deferred income	176,857	351,574
Corporation tax	7,999	(86,024)
Social security and other taxes	687,149	832,646
Obligations under finance leases	201,709	584,148
Director loan accounts	216	317
Other creditors	265,001	197,273
	<u>2,844,095</u>	<u>3,094,675</u>

Included in Bank loans and overdraft is :- i) Bank Overdraft of £567,029 (2018 £261,920) ii) Bank loans £35,212 (2018 £148,604) . See note 17 for explanatory notes.

**17. Creditors: amounts falling due after more than one year**

	2019	2018
	£	£
Bank loans and overdrafts	1,126,854	1,127,936
Obligations under finance leases	22,627	181,897
Other creditors	-	85,777
	<u>1,149,481</u>	<u>1,395,610</u>

Bank loans and Overdraft represent £1126,854 (2018 £1,127,936) 2.5% secured fixed interest rate mortgage loan for the acquisition of 14-15 Gateway Mews,N11 2UT.

Other creditors represents £Nil (2018 £85,777) secured variable interest rate loan to assist in the refurbishment of 14-15 Gateway Mews,N11 2UT and moving cost to the premises.

**GREATER LONDON HIRE LIMITED**

**Notes to the financial statements (continued)**  
**Year ended 30 April 2019**

**18. Obligations under finance leases**

**Company lessee**

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

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Not later than 1 year	201,709	584,148
Later than 1 year and not later than 5 years	22,627	181,897
	<u>224,336</u>	<u>766,045</u>
Present value of minimum lease payments	<u>224,336</u>	<u>766,045</u>

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 £80,762 (2018 £858,440).

**19. Provisions**

	Deferred tax (note 20)	Total
	<b>£</b>	<b>£</b>
At 1 May 2018	30,377	30,377
Additions	(47,610)	(47,610)
<b>At 30 April 2019</b>	<u>(17,233)</u>	<u>(17,233)</u>

**20. Deferred tax**

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

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Included in provisions (note 19)	<u>(17,233)</u>	<u>30,377</u>

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

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Accelerated capital allowances	<u>(47,610)</u>	<u>10,666</u>

**21. Employee benefits**

The amount recognised in profit or loss in relation to defined contribution plans was £114,592 (2018: £97,416).

**GREATER LONDON HIRE LIMITED**

**Notes to the financial statements (continued)**  
**Year ended 30 April 2019**

**22. Financial instruments**

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

	2019	2018
	£	£
<b>Financial assets that are debt instruments measured at amortised cost</b>		
Trade debtors	2,653,085	2,333,971
Other debtors	6,295	620,254
Cash at bank and in hand	6,063	4,339
	<u>2,665,443</u>	<u>2,958,564</u>
<b>Financial liabilities measured at amortised cost</b>		
Bank and other loans	172,910	1,624,237
Trade creditors	902,923	804,217
Other creditors	660,557	1,298,997
	<u>1,736,390</u>	<u>3,727,451</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.

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

	2019		2018	
	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>

**24. 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.

## GREATER LONDON HIRE LIMITED

### Notes to the financial statements (continued) Year ended 30 April 2019

#### 25. Operating leases

##### The company as lessee

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

	2019 £	2018 £
Not later than 1 year	657,935	702,109
Later than 1 year and not later than 5 years	159,742	734,907
	<u>817,677</u>	<u>1,437,016</u>

This represents the company's annual commitments in respect of:- Other assets: -within 1 year-£668,327 (2018 £628,279) ; 2-5 years- £201,310 ( 2018-£430,907) and Land and Buildings :- within 1 year- £62,762 (2018- £73,830); 2-5 years £144,000 (2018-£304,000).

#### 26. Contingent assets and liabilities

There were no contingent liabilities recorded during the year.

#### 27. Events after the end of the reporting period

Greater London Hire Ltd. disposed of its interest in the lease of Unit 11 Great Cambridge Industrial Estate , Lincoln Road, Enfield, EN1 1SH in December 2019. Based on information provided by the company it expects the financial position in the following year to weaken noticeably because of the COVID 19 negative impact on business operations . The company however has sufficient financial backing and has put measures in place , including but not limited to, acquiring new customers to improve its operational and cashflow position.

#### 28. Summary audit opinion

The auditor's report for the year dated 12 June 2020 was unqualified.

The senior statutory auditor was Emanuel Meyer, for and on behalf of Sugarwhite Meyer Accountants Ltd...

## GREATER LONDON HIRE LIMITED

### Notes to the financial statements (continued) Year ended 30 April 2019

#### 29. Directors advances, credits and guarantees

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

	2019	Balance brought forward	Advances/(credits) to the directors	Balance o/standing
		£	£	£
Robert Scott BA		<u>555,486</u>	<u>19,235</u>	<u>574,721</u>
	2018			
		£	£	£
Robert Scott BA		<u>511,436</u>	<u>43,733</u>	<u>555,169</u>

The advances, as listed above, were charged at the official rate of interest of 2.5% (2.5% 2018). Interest, in subsequent years, will be set at the prevailing official rate. Each loan advance is repayable 10 years from date of receipt.

#### 30. Related party transactions

During the year dividends were paid to the following directors: Mr R. Scott- 77.27% non voting class 1A ordinary shares £25,500 (2018 £25,500) and Mr Ian Ross Gibbons- 22.73% non voting class 1A ordinary shares £7,500 (2018 £7,500).

#### 31. 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.