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Registered number: 02733405

INDEPENDENT HIRE & SALES LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2017

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INDEPENDENT HIRE & SALES LIMITED
REGISTERED NUMBER: 02733405

BALANCE SHEET
AS AT 30 APRIL 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	4,152,585	3,540,163
Investments	5	15,000	2,295,344
		<u>4,167,585</u>	<u>5,835,507</u>
Current assets			
Debtors: amounts falling due within one year	6	1,926,778	2,050,617
Cash at bank and in hand		352,374	203,543
		<u>2,279,152</u>	<u>2,254,160</u>
Creditors: amounts falling due within one year	7	(3,109,677)	(2,412,434)
Net current liabilities		<u>(830,525)</u>	<u>(158,274)</u>
Total assets less current liabilities		<u>3,337,060</u>	<u>5,677,233</u>
Creditors: amounts falling due after more than one year	8	(1,099,306)	(1,272,542)
Provisions for liabilities			
Deferred tax	11	(395,129)	(1,051,067)
		<u>(395,129)</u>	<u>(1,051,067)</u>
Net assets		<u><u>1,842,625</u></u>	<u><u>3,353,624</u></u>

INDEPENDENT HIRE & SALES LIMITED
REGISTERED NUMBER: 02733405

BALANCE SHEET (CONTINUED)
AS AT 30 APRIL 2017

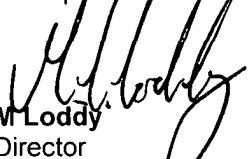
	Note	2017 £	2016 £
Capital and reserves			
Called up share capital		1,314	1,314
Profit and loss account		1,841,311	3,352,310
		<u>1,842,625</u>	<u>3,353,624</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 September 2017


M Luddy
Director


P Freeman
Director

The notes on pages 3 to 13 form part of these financial statements.

INDEPENDENT HIRE & SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

1. General information

Independent Hire & Sales Limited is a private company, limited by shares, domiciled in England and Wales, registration number 02733405. The registered office is Peregrine House, Northbridge Road, Berkhamsted, Herts, HP4 1EH. The principal activity of the company continued to be that of the hiring of scaffolding and vehicles and general contracting.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Independent Scaffolding Group Limited as at 30 April 2017 and these financial statements may be obtained from Companies House.

INDEPENDENT HIRE & SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

2. Accounting policies (continued)

2.3 Revenue

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

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Tangible fixed assets

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

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using both a reducing balance basis and straight line basis as detailed below.

Depreciation is provided on the following basis:

Plant and machinery	-	15% reducing balance / 33 1/3% straight line
Motor vehicles	-	25% reducing balance
Fixtures and fittings	-	15% reducing balance

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

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

2.5 Valuation of investments

Investments held as fixed assets are stated at cost, together with subsequent capital contributions, less any provisions for impairment in value.

INDEPENDENT HIRE & SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

2. Accounting policies (continued)

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.8 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

2.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

INDEPENDENT HIRE & SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

2. Accounting policies (continued)

2.10 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.11 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.12 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

2.13 Leased assets: the Company as lessee

Assets obtained under hire purchase contract and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Comprehensive Income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.14 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

INDEPENDENT HIRE & SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

2. Accounting policies (continued)

2.15 Provisions for liabilities

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

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

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

2.16 Current and deferred taxation

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

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

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

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

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

2.17 Contributions to share incentive plan (SIP)

In accordance with FRS 102 Section 1A, contributions to the SIP are not recognised in the Profit and Loss Account until such time as the shares vest unconditionally with the employees. Until that time, the employee share ownership plan trust's investment in the shares of the holding company are shown as an investment.

3. Employees

The average monthly number of employees, including directors, during the year was 25 (2016 - 27).

INDEPENDENT HIRE & SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2017

4. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 May 2016	4,785,289	1,471,619	82,611	6,339,519
Additions	869,604	284,061	-	1,153,665
Disposals	-	(158,853)	-	(158,853)
At 30 April 2017	5,654,893	1,596,827	82,611	7,334,331
Depreciation				
At 1 May 2016	2,089,655	657,007	52,693	2,799,355
Charge for the year on owned assets	241,562	17,745	4,428	263,735
Charge for the year on financed assets	15,428	223,460	-	238,888
Disposals	-	(120,232)	-	(120,232)
At 30 April 2017	2,346,645	777,980	57,121	3,181,746
Net book value				
At 30 April 2017	3,308,248	818,847	25,490	4,152,585
At 30 April 2016	2,695,634	814,612	29,918	3,540,164

INDEPENDENT HIRE & SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2017

5. Fixed asset investments

	SIP Investment in parent company shares £	Other fixed asset investments £	Total £
Cost or valuation			
At 1 May 2016	2,280,344	15,000	2,295,344
Disposals	(2,280,344)	-	(2,280,344)
At 30 April 2017	-	15,000	15,000
Net book value			
At 30 April 2017	-	15,000	15,000
At 30 April 2016	2,280,344	15,000	2,295,344

During the year, the SIP was terminated. Any remaining costs associated with the original contribution to the SIP has therefore been written off to the profit and loss reserve.

6. Debtors

	2017 £	2016 £
Trade debtors	-	63
Amounts owed by group undertakings	1,552,896	1,560,877
Other debtors	110,115	239,501
Prepayments and accrued income	263,767	250,176
	<u>1,926,778</u>	<u>2,050,617</u>

INDEPENDENT HIRE & SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

7. Creditors: Amounts falling due within one year

	2017 £	2016 £
Other loans	139,725	137,776
Trade creditors	435,966	592,868
Amounts owed to group undertakings	788,178	735,357
Corporation tax	172,158	97,332
Other taxation and social security	195,998	71,654
Obligations under finance lease and hire purchase contracts	316,717	284,114
Other creditors	396,747	295,729
Accruals and deferred income	664,188	197,604
	<u>3,109,677</u>	<u>2,412,434</u>

8. Creditors: Amounts falling due after more than one year

	2017 £	2016 £
Other loans	729,552	794,238
Net obligations under finance leases and hire purchase contracts	369,754	478,303
	<u>1,099,306</u>	<u>1,272,541</u>

Secured loans

Included within other loans is £824,277 (2016: £857,014) which is secured by way of a debenture or charge on the plant and machinery held by the company.

Included within Net obligations under finance leases and hire purchase contracts is £686,471 (2016: £762,417) which is secured against various motor vehicles and plant and machinery held by the company.

The aggregate amount of creditors for which security has been given is £1,510,748 (2016: £1,619,431).

INDEPENDENT HIRE & SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

9. Loans

Analysis of the maturity of loans is given below:

	2017 £	2016 £
Amounts falling due within one year		
Other loans	139,725	137,776
	<u>139,725</u>	<u>137,776</u>
Amounts falling due 1-2 years		
Other loans	29,552	64,682
	<u>29,552</u>	<u>64,682</u>
Amounts falling due 2-5 years		
Other loans	700,000	729,555
	<u>700,000</u>	<u>729,555</u>
	<u>869,277</u>	<u>932,013</u>

10. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2017 £	2016 £
Within one year	316,717	284,114
Later than one and not later than five years	369,754	478,303
	<u>686,471</u>	<u>762,417</u>

INDEPENDENT HIRE & SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

11. Deferred taxation

	2017 £
At beginning of year	(1,051,067)
Charged to profit or loss	(28,165)
Transfer on termination of SIP	684,103
At end of year	(395,129)

The provision for deferred taxation is made up as follows:

	2017 £
Accelerated capital allowances	(395,129)
	(395,129)

12. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £430,097 (2016: £4,796). At 30 April 2017, the balance owing to the pension scheme was £629 (2016: £1,118).

13. Related party transactions

During the year transactions with the following related parties occurred:

Expenses were paid to entities under common control in the year that amounted to £809,906 (2016: £379,310). These expenses relate to the rental of properties and provision of management services.

At the year end the following amounts were due from/(to) the related parties:

	2017 £	2016 £
Key management	(191,673)	(261,702)
Entities under common control	35,115	(194,343)
	(156,558)	(456,045)

INDEPENDENT HIRE & SALES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2017**

14. Controlling party

The ultimate parent company is Independent Scaffolding Group Limited, a company incorporated in England and Wales. The ultimate controlling party is M Luddy due to his majority shareholding in the parent company.

15. Auditors' information

The auditors report in the accounts for the year ended 30 April 2017 was unqualified.

The audit report was signed by Charlamabos Patsalides on behalf of Haslers Chartered Accountants.