
INDEPENDENT HIRE & SALES LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 30 APRIL 2019

INDEPENDENT HIRE & SALES LIMITED
REGISTERED NUMBER: 02733405

BALANCE SHEET
AS AT 30 APRIL 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	6	5,371,198	5,894,989
Investments	7	15,000	15,000
		<u>5,386,198</u>	<u>5,909,989</u>
Current assets			
Debtors: amounts falling due within one year	8	306,766	1,179,334
Cash at bank and in hand	9	172,612	376,432
		<u>479,378</u>	<u>1,555,766</u>
Creditors: amounts falling due within one year	10	(2,652,952)	(3,515,282)
Net current liabilities		<u>(2,173,574)</u>	<u>(1,959,516)</u>
Total assets less current liabilities		<u>3,212,624</u>	<u>3,950,473</u>
Creditors: amounts falling due after more than one year	11	(1,141,522)	(1,485,969)
Provisions for liabilities			
Deferred tax	14	(594,729)	(597,614)
		<u>(594,729)</u>	<u>(597,614)</u>
Net assets		<u><u>1,476,373</u></u>	<u><u>1,866,890</u></u>

INDEPENDENT HIRE & SALES LIMITED
REGISTERED NUMBER: 02733405

BALANCE SHEET (CONTINUED)
AS AT 30 APRIL 2019

	Note	2019 £	2018 £
Capital and reserves			
Called up share capital		1,314	1,314
Profit and loss account		1,475,059	1,865,576
		<u>1,476,373</u>	<u>1,866,890</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 21 October 2019.

M Loddy
Director

P Freeman
Director

The notes on pages 3 to 14 form part of these financial statements.

INDEPENDENT HIRE & SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2019

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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

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 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 2019 and these financial statements may be obtained from Companies House.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2019

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 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.

2.5 Leased assets: the Company as lessee

Assets obtained under hire purchase contracts 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.

2.6 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.7 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2019

2. Accounting policies (continued)

2.8 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.

2.9 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.

2.10 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.11 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.

INDEPENDENT HIRE & SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2019

2. Accounting policies (continued)

2.11 Tangible fixed assets (continued)

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	-	33%	reducing balance 33% 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.

2.12 Valuation of investments

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

2.13 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.

2.14 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.

2.15 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2019

2. Accounting policies (continued)

2.16 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.

2.17 Financial instruments

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

2.18 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2019

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In applying the Company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

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.

Management considers that there are no judgments that have been made in the process of applying the entity's accounting policies that have a significant effect on the financial statements. Furthermore, management considers that there are no areas of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

4. Auditors' remuneration

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

5. Employees

The average monthly number of employees, including directors, during the year was 29 (2018 - 31).

INDEPENDENT HIRE & SALES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2019**

6. Tangible fixed assets

	Plant and machinery	Motor vehicles	Fixtures and fittings	Total
	£	£	£	£
Cost or valuation				
At 1 May 2018	7,761,572	1,644,508	82,611	9,488,691
Additions	96,895	-	20,650	117,545
Disposals	-	(121,083)	-	(121,083)
At 30 April 2019	7,858,467	1,523,425	103,261	9,485,153
Depreciation				
At 1 May 2018	2,642,735	890,274	60,693	3,593,702
Charge for the year on owned assets	427,178	4,597	6,168	437,943
Charge for the year on financed assets	-	182,050	-	182,050
Disposals	-	(99,740)	-	(99,740)
At 30 April 2019	3,069,913	977,181	66,861	4,113,955
Net book value				
At 30 April 2019	4,788,554	546,244	36,400	5,371,198
At 30 April 2018	5,118,837	754,234	21,918	5,894,989

7. Fixed asset investments

	Other fixed asset investments £
Cost or valuation	
At 1 May 2018	15,000
At 30 April 2019	15,000

INDEPENDENT HIRE & SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2019

8. Debtors

	2019 £	2018 £
Trade debtors	-	2,340
Amounts owed by group undertakings	6,857	860,750
Other debtors	19,434	11,268
Prepayments and accrued income	280,475	304,976
	<u>306,766</u>	<u>1,179,334</u>

9. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	172,612	376,432
	<u>172,612</u>	<u>376,432</u>

INDEPENDENT HIRE & SALES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2019**

10. Creditors: Amounts falling due within one year

	2019 £	2018 £
Other loans	223,488	289,616
Trade creditors	385,518	1,398,967
Amounts owed to group undertakings	1,246,663	988,178
Corporation tax	92,181	99,332
Other taxation and social security	207,575	115,451
Obligations under finance lease and hire purchase contracts	168,949	315,381
Other creditors	126,155	58,661
Accruals and deferred income	202,423	249,696
	<u>2,652,952</u>	<u>3,515,282</u>

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

	2019 £	2018 £
Bank loans	588,836	658,638
Other loans	448,400	601,619
Net obligations under finance leases and hire purchase contracts	104,286	225,712
	<u>1,141,522</u>	<u>1,485,969</u>

INDEPENDENT HIRE & SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2019

12. Loans

Analysis of the maturity of loans is given below:

	2019 £	2018 £
Amounts falling due within one year		
Other loans	223,488	289,616
	<u>223,488</u>	<u>289,616</u>
Amounts falling due 1-2 years		
Bank loans	71,620	70,168
Other loans	161,163	153,319
	<u>232,783</u>	<u>223,487</u>
Amounts falling due 2-5 years		
Bank loans	223,877	219,338
Other loans	287,236	448,300
	<u>511,113</u>	<u>667,638</u>
Amounts falling due after more than 5 years		
Bank loans	293,338	369,132
	<u>293,338</u>	<u>369,132</u>
	<u><u>1,260,722</u></u>	<u><u>1,549,873</u></u>

The above bank loan is secured by a fixed and floating charge over the assets of the company. In addition there is a cross guarantee and a fixed charge between Independent Hire & Sales Limited, Framework (Specialist Works) Limited, Boundbridge Property Limited, and Independent Scaffolding Group Limited to guarantee payment of the principal of the bank loans.

The above other loan is secured by the plant and machinery of the company.

INDEPENDENT HIRE & SALES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2019**

13. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2019 £	2018 £
Within one year	168,949	315,381
Between 1-5 years	104,286	225,712
	<u>273,235</u>	<u>541,093</u>

14. Deferred taxation

	2019 £
At beginning of year	(597,614)
Charged to profit or loss	2,885
Transferred intra group	-
At end of year	<u><u>(594,729)</u></u>

The provision for deferred taxation is made up as follows:

	2019 £
Accelerated capital allowances	(594,729)
	<u><u>(594,729)</u></u>

15. 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 £7,402 (2018: £9,604). At 30 April 2018, the balance owing to the pension scheme was £1,621 (2018: £629).

16. Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard 102 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company and are publicly available.

INDEPENDENT HIRE & SALES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2019**

17. Controlling party

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

18. Auditors' information

The auditors' report on the financial statements for the year ended 30 April 2019 was unqualified.

The audit report was signed on 21 October 2019 by Charalambos Patsalides (Senior Statutory Auditor) on behalf of Haslers.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.