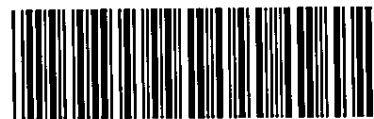


REGISTRAR OF COMPANIES

**Report of the Directors and
Financial Statements
for the Year Ended 31 July 2009
for
Hire One Limited**

TUESDAY



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COMPANIES HOUSE

Hire One Limited

**Contents of the Financial Statements
for the Year Ended 31 July 2009**

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Hire One Limited
Company Information
for the Year Ended 31 July 2009

DIRECTORS	K J Latham P J Mason
SECRETARY	P J Mason
REGISTERED OFFICE	Cardiff Road Mwyndy Cross Industries Llantrisant Pontyclun Rhondda Cynon Taff CF72 8PN
REGISTERED NUMBER	04277104 (England and Wales)
AUDITORS	Broomfield & Alexander Limited Registered Auditors Chartered Accountants Pendragon House Caxton Place Pentwyn Cardiff CF23 8XE

Hire One Limited

Report of the Directors for the Year Ended 31 July 2009

The directors present their report with the financial statements of the company for the year ended 31 July 2009

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the hire of plant and machinery

REVIEW OF BUSINESS

We are pleased to report pre tax profits of £48,211 (1.2%) on a turnover of £3,980,908 (year to 31 July 2008 £130,577 and £4,362,597). This profit has been achieved through one of the most difficult trading periods in recent times. This result has been achieved by closely monitoring all costs and reacting quickly to ever changing market conditions.

The company invested a further £1,154,822 in new plant and equipment during the year which equates to 29% of turnover which again provides proof the company is committed to reinvest in the latest and most reliable equipment available.

Despite the current difficult trading conditions the company remains focused on further reducing costs and forecast a trading profit for the year to July 2010.

The company retained its accreditation for both ISO 9001:2008 and Investors in People during the year.

DIVIDENDS

No dividends will be distributed for the year ended 31 July 2009.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 August 2008 to the date of this report.

K J Latham
P J Mason

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the year the company donated £5151 (2008: £1,430) for charitable purposes.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 of 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 judgements and accounting estimates that are reasonable and prudent,
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Hire One Limited

**Report of the Directors
for the Year Ended 31 July 2009**

AUDITORS

The auditors, Broomfield & Alexander Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting

ON BEHALF OF THE BOARD



P J Mason - Secretary

Date 3/12/09

**Report of the Independent Auditors to the Shareholders of
Hire One Limited**

We have audited the financial statements of Hire One Limited for the year ended 31 July 2009 on pages five to fifteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Sections 495 and 496 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 a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 July 2009 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

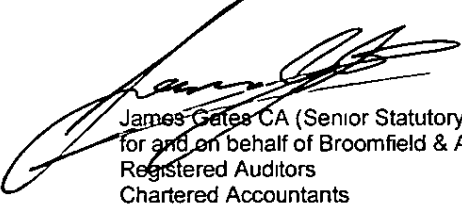
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



James Gates CA (Senior Statutory Auditor)
for and on behalf of Broomfield & Alexander Limited
Registered Auditors
Chartered Accountants
Pendragon House
Caxton Place
Pentwyn
Cardiff
CF23 8XE

8 December 2009

Hire One Limited
Profit and Loss Account
for the Year Ended 31 July 2009

	Notes	2009 £	2008 £
TURNOVER		3,980,908	4,362,597
Cost of sales		<u>2,796,886</u>	<u>3,127,875</u>
GROSS PROFIT		1,184,022	1,234,722
Administrative expenses		<u>870,425</u>	<u>879,556</u>
		313,597	355,166
Other operating income		<u>1,818</u>	<u>17,995</u>
OPERATING PROFIT	3	315,415	373,161
Interest payable and similar charges	4	<u>267,204</u>	<u>242,584</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		48,211	130,577
Tax on profit on ordinary activities	5	<u>51,941</u>	<u>35,550</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		<u>(3,730)</u>	<u>95,027</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the loss for the current year and the profit for the previous year

Hire One Limited

Balance Sheet
31 July 2009

	Notes	2009 £	2008 £
FIXED ASSETS			
Tangible assets	7	4,408,941	4,726,352
CURRENT ASSETS			
Stocks	8	36,414	48,906
Debtors	9	731,507	841,466
		767,921	890,372
CREDITORS			
Amounts falling due within one year	10	2,482,861	2,357,875
NET CURRENT LIABILITIES		(1,714,940)	(1,467,503)
TOTAL ASSETS LESS CURRENT LIABILITIES		2,694,001	3,258,849
CREDITORS			
Amounts falling due after more than one year	11	(1,807,157)	(2,364,405)
PROVISIONS FOR LIABILITIES	15	(78,174)	(82,044)
NET ASSETS		808,670	812,400
CAPITAL AND RESERVES			
Called up share capital	16	150,000	150,000
Profit and loss account	17	658,670	662,400
SHAREHOLDERS' FUNDS	21	808,670	812,400

The financial statements were approved by the Board of Directors on its behalf by

3/12/09

and were signed on



P J Mason - Director

Hire One Limited
Cash Flow Statement
for the Year Ended 31 July 2009

	Notes	£	2009	£	£	2008	£
Net cash inflow from operating activities	1			1,899,961		1,522,155	
Returns on investments and servicing of finance	2			(267,204)		(242,584)	
Taxation				(14,940)		-	
Capital expenditure	2			155,168		570,287	
Equity dividends paid				-		(115,000)	
				<u>1,772,985</u>		<u>1,734,858</u>	
Financing	2			(1,824,291)		(1,683,888)	
(Decrease)/Increase in cash in the period				<u>(51,306)</u>		<u>50,970</u>	

Reconciliation of net cash flow to movement in net debt

	3						
(Decrease)/Increase in cash in the period			(51,306)		50,970		
Cash outflow from decrease in debt and lease financing			<u>772,134</u>		<u>1,683,839</u>		
Change in net debt resulting from cash flows				720,828		1,734,809	
New finance leases				-		(2,730,594)	
Movement in net debt in the period				<u>720,828</u>		<u>(995,785)</u>	
Net debt at 1 August				<u>(3,846,076)</u>		<u>(2,850,291)</u>	
Net debt at 31 July				<u>(3,125,248)</u>		<u>(3,846,076)</u>	

The notes form part of these financial statements

Hire One Limited

Notes to the Cash Flow Statement
for the Year Ended 31 July 2009

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2009 £	2008 £
Operating profit	315,415	373,161
Depreciation charges	1,316,872	1,487,440
Profit on disposal of fixed assets	(102,472)	(239,882)
Decrease in stocks	12,492	3,537
Decrease in debtors	109,959	103,257
Increase/(Decrease) in creditors	247,695	(205,358)
Net cash inflow from operating activities	1,899,961	1,522,155

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2009 £	2008 £
Returns on investments and servicing of finance		
Interest paid	(38,021)	(48,327)
Interest element of hire purchase and finance lease rental payments	(229,183)	(194,257)
Net cash outflow for returns on investments and servicing of finance	(267,204)	(242,584)
Capital expenditure		
Purchase of tangible fixed assets	(183,746)	(105,265)
Sale of tangible fixed assets	338,914	675,552
Net cash inflow for capital expenditure	155,168	570,287
Financing		
New loans in year	150,000	-
Loan repayments in year	(18,909)	(19,019)
Capital repayments in year	(1,955,382)	(1,664,869)
Net cash outflow from financing	(1,824,291)	(1,683,888)

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1 8 08 £	Cash flow £	At 31 7 09 £
Net cash			
Cash at bank and in hand	-	-	-
Bank overdrafts	(95,947)	(51,306)	(147,253)
	<u>(95,947)</u>	<u>(51,306)</u>	<u>(147,253)</u>
Debt			
Hire purchase and finance leases	(3,585,761)	903,225	(2,682,536)
Debts falling due within one year	(11,076)	(24,690)	(35,766)
Debts falling due after one year	(153,292)	(106,401)	(259,693)
	<u>(3,750,129)</u>	<u>772,134</u>	<u>(2,977,995)</u>
Total	(3,846,076)	720,828	(3,125,248)

The notes form part of these financial statements

Hire One Limited

Notes to the Financial Statements for the Year Ended 31 July 2009

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

Turnover

Turnover represents net invoiced sales of goods and services from ordinary activities, excluding value added tax

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset on a straight line basis over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter

Plant & machinery	- 25% - 50% on cost
Furniture & fittings	- 25% - 50% on cost
Motor vehicles	- 20% - 33% on cost
Office equipment	- 25% - 50% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a group personal pension scheme. Contributions payable for the period are charged in the profit and loss account.

2 STAFF COSTS

	2009	2008
	£	£
Wages and salaries	747,414	767,103
Social security costs	71,866	71,535
Other pension costs	6,057	6,261
	<u>825,337</u>	<u>844,899</u>

The average monthly number of employees during the year was as follows

	2009	2008
Administration	4	4
Directors	2	2
Direct Staff	28	27
	<u>34</u>	<u>33</u>

Hire One Limited

Notes to the Financial Statements - continued
for the Year Ended 31 July 2009

3 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2009	2008
	£	£
Hire of plant and machinery	433,989	559,502
Depreciation - owned assets	130,884	447,535
Depreciation - assets on hire purchase contracts and finance leases	1,185,988	1,039,905
Profit on disposal of fixed assets	(102,472)	(239,882)
Auditors' remuneration	4,100	5,000
Auditors' remuneration for non audit work	2,200	2,000
	<u>99,804</u>	<u>108,526</u>
Directors' remuneration	-	(9,850)
Compensation to director for loss of office	-	-

The number of directors to whom retirement benefits were accruing was as follows

	2009	2008
Money purchase schemes	<u>2</u>	<u>2</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	2009	2008
	£	£
Bank interest	2,686	3,810
Bank loan interest	7,735	8,896
Invoice discounting interest	19,364	28,857
Other Loan Interest	8,236	6,764
Hire purchase interest & charges	229,183	194,257
	<u>267,204</u>	<u>242,584</u>

5 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	2009	2008
	£	£
Current tax		
UK corporation tax	55,811	31,244
Deferred tax	(3,870)	4,306
Tax on profit on ordinary activities	<u>51,941</u>	<u>35,550</u>

Hire One Limited

Notes to the Financial Statements - continued
for the Year Ended 31 July 2009

5 **TAXATION - continued**

Factors affecting the tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below

	2009 £	2008 £
Profit on ordinary activities before tax	<u>48,211</u>	<u>130,577</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2008 - 28%)	13,499	36,562
Effects of		
Depreciation in excess of Capital Allowances	69,013	57,591
Expenses not deductible for tax purposes	6,943	10,687
Profit on disposal of fixed assets	(28,692)	(67,167)
Marginal Relief	(4,952)	(8,223)
Effect of change in tax rate	-	1,794
Current tax charge	<u>55,811</u>	<u>31,244</u>

6 **DIVIDENDS**

	2009 £	2008 £
Ordinary shares of £1 each		
Interim	-	115,000

7 **TANGIBLE FIXED ASSETS**

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 August 2008	245,000	7,047,867	159,659	445,462	7,897,988
Additions	-	1,225,540	10,363	-	1,235,903
Disposals	-	(893,787)	-	(16,690)	(910,477)
At 31 July 2009	<u>245,000</u>	<u>7,379,620</u>	<u>170,022</u>	<u>428,772</u>	<u>8,223,414</u>
DEPRECIATION					
At 1 August 2008	-	2,768,072	116,838	286,726	3,171,636
Charge for year	-	1,227,790	23,035	66,047	1,316,872
Eliminated on disposal	-	(667,082)	-	(6,953)	(674,035)
At 31 July 2009	<u>-</u>	<u>3,328,780</u>	<u>139,873</u>	<u>345,820</u>	<u>3,814,473</u>
NET BOOK VALUE					
At 31 July 2009	<u>245,000</u>	<u>4,050,840</u>	<u>30,149</u>	<u>82,952</u>	<u>4,408,941</u>
At 31 July 2008	<u>245,000</u>	<u>4,279,795</u>	<u>42,821</u>	<u>158,736</u>	<u>4,726,352</u>

In the opinion of the directors the Freehold Land & buildings has not been depreciated as they consider them to be valued at the market rate

Hire One Limited

Notes to the Financial Statements - continued
for the Year Ended 31 July 2009

7 TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts and finance leases are as follows

	Plant and machinery £	Motor vehicles £	Totals £
COST			
At 1 August 2008	5,513,440	245,651	5,759,091
Additions	1,154,822	-	1,154,822
Disposals	(497,245)	(16,690)	(513,935)
Transfer to ownership	(480,542)	(42,150)	(522,692)
At 31 July 2009	5,690,475	186,811	5,877,286
DEPRECIATION			
At 1 August 2008	1,408,929	69,996	1,478,925
Charge for year	1,120,152	65,836	1,185,988
Eliminated on disposal	(233,970)	(6,953)	(240,923)
Transfer to ownership	(203,450)	(18,915)	(222,365)
At 31 July 2009	2,091,661	109,964	2,201,625
NET BOOK VALUE			
At 31 July 2009	3,598,814	76,847	3,675,661
At 31 July 2008	4,104,511	175,655	4,280,166

8 STOCKS

	2009 £	2008 £
Stocks	36,414	48,906

9 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009 £	2008 £
Trade debtors	704,142	761,455
Corporation tax	-	10,770
Amounts owed by group undertakings	-	8,813
Other debtors	14,613	30,818
Amounts due from parent company	-	14,688
Prepayments and accrued income	12,752	14,922
	731,507	841,466

10 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009 £	2008 £
Bank loans and overdrafts (see note 12)	157,300	107,023
Other loans (see note 12)	25,719	-
Hire purchase contracts and finance leases (see note 13)	1,412,214	1,487,292
Trade creditors	185,592	239,951
Amounts owed to group undertakings	196,030	100,000
Corporation tax	72,115	31,244
Social security and other taxes	54,458	22,043
VAT	176,857	66,943
Invoice discounting funds advanced	148,992	226,074
Amounts due to connected company	47,284	52,723
Accruals and deferred income	6,300	24,582
	2,482,861	2,357,875

Hire One Limited

Notes to the Financial Statements - continued
for the Year Ended 31 July 2009

11 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2009 £	2008 £
Bank loans (see note 12)	135,412	153,292
Other loans (see note 12)	124,281	-
Hire purchase contracts and finance leases (see note 13)	1,270,322	2,098,469
Amounts owed to group undertakings	202,029	-
Amount due to connected company	75,113	112,644
	<u>1,807,157</u>	<u>2,364,405</u>

The amount due to connected companies is repayable over 10 years from August 2005. The loan bears interest of 2% p.a. above base rate. The loan is unsecured.

The bank loan due after 5 years is repayable monthly at an interest rate of 1.75% rate above the Bank of England base rate.

12 LOANS

An analysis of the maturity of loans is given below

	2009 £	2008 £
Amounts falling due within one year or on demand		
Bank overdrafts	147,253	95,947
Bank loans	10,047	11,076
Other loans	25,719	-
	<u>183,019</u>	<u>107,023</u>
Amounts falling due between one and two years		
Bank loans - 1-2 years	12,906	13,386
Other loans - 1-2 years	27,716	-
	<u>40,622</u>	<u>13,386</u>
Amounts falling due between two and five years		
Bank loans - 2-5 years	55,876	54,402
Other loans - 2-5 years	96,565	-
	<u>152,441</u>	<u>54,402</u>
Amounts falling due in more than five years		
Repayable by instalments		
Bank loans more 5 yr by instal	66,630	85,504
	<u>66,630</u>	<u>85,504</u>

13 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

	Hire purchase contracts		Finance leases	
	2009 £	2008 £	2009 £	2008 £
Net obligations repayable				
Within one year	1,156,752	1,487,292	255,462	-
Between one and five years	1,009,174	2,098,469	261,148	-
	<u>2,165,926</u>	<u>3,585,761</u>	<u>516,610</u>	<u>-</u>

Hire One Limited

Notes to the Financial Statements - continued for the Year Ended 31 July 2009

13 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES - continued

The following operating lease payments are committed to be paid within one year

	Land and buildings		Other operating leases	
	2009	2008	2009	2008
	£	£	£	£
Expiring				
Within one year	-	-	3,964	-
Between one and five years	-	29,798	-	3,964
In more than five years	85,000	65,000	-	-
	<u>85,000</u>	<u>94,798</u>	<u>3,964</u>	<u>3,964</u>

14 SECURED DEBTS

The following secured debts are included within creditors

	2009	2008
	£	£
Bank overdrafts	147,253	95,947
Bank loans	145,459	164,368
Hire purchase contracts and finance leases	2,682,536	3,585,761
Invoice discounting	147,252	226,074
	<u>3,122,500</u>	<u>4,072,150</u>

Amounts owed on hire purchase agreements are secured against the assets to which they relate

Amounts advanced on invoice discounting are secured by a debenture over all of the assets of the company

The bank loan is secured by a first legal charge over the freehold land and buildings at Canal Road Aberdare and 183 Cardiff Road Newport

The bank overdraft is secured by an unlimited debenture dated 16th October 2001 from Hire One Limited

15 PROVISIONS FOR LIABILITIES

	2009	2008
	£	£
Deferred tax	<u>78,174</u>	<u>82,044</u>
		Deferred tax
		£
Balance at 1 August 2008		82,044
The Origination and reversal of timing differences		(3,870)
Changes in tax rates		
Balance at 31 July 2009		<u>78,174</u>

16 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid			2009	2008
Number	Class	Nominal value	£	£
150,000	Ordinary	£1	<u>150,000</u>	<u>150,000</u>

Hire One Limited

Notes to the Financial Statements - continued for the Year Ended 31 July 2009

17 RESERVES

	Profit and loss account £
At 1 August 2008	662,400
Deficit for the year	(3,730)
At 31 July 2009	<u>658,670</u>

18 ULTIMATE PARENT COMPANY

The ultimate parent company is Lewis Civil Engineering Limited, formerly known as David Lewis Civil Engineering Limited, a company incorporated in the United Kingdom. The accounts for Lewis Civil Engineering Limited are available from Mwyndy Estate, Pontyclun, Rhondda Cynon Taff, CF72 8XY.

19 RELATED PARTY DISCLOSURES

During the year, the company made sales of £968,376 (2008 £1,018,311) to Lewis Civil Engineering Limited and was charged rent of £45,000 (2008 £45,000). During the year Hire One Limited made purchases £317,622 (2008 £2,615) from Lewis Civil Engineering Limited and assets on hire purchase costing £411,915 were acquired from Lewis Civil Engineering in the year. An amount of £316,715 was outstanding at the year end in relation to this balance. At the period end the total balance due to Lewis Civil Engineering Limited was £398,080 (2008 £14,688 debtor).

During the period, the company charged £nil (2008 £7,500) to Knex Pipelines & Cables Limited for management charges, the company is related due to common shareholders. At the year end £nil was outstanding from Knex Pipelines & Cables Limited (2008 £8,813).

During the year end the company repaid a loan of £100,000 to Knex Pipelines & Cables Limited. The loan was interest free unsecured and has no set repayment terms.

The company was charged rent of £42,595 (2008 £31,677) from Jackson Properties Limited. Jackson Properties Limited is related due to common shareholders. At the year end £9,761 (2008 £17,467) was due to Jackson Properties Limited.

At the year end the company owed Jackson Properties Limited £112,636 (2008 £147,900). This is a loan provided to Hire One Limited which is repayable over 7 years. The loan bears interest at 2% above the banks base rate and is unsecured.

20 ULTIMATE CONTROLLING PARTY

In the opinion of the directors the ultimate controlling party is Mrs J Lewis.

21 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2009 £	2008 £
(Loss)/Profit for the financial year	(3,730)	95,027
Dividends	-	(115,000)
Net reduction of shareholders' funds	(3,730)	(19,973)
Opening shareholders' funds	812,400	832,373
Closing shareholders' funds	<u>808,670</u>	<u>812,400</u>