

# Ash Hire & Sales Limited

Annual Report and Financial Statements ,  
for the Year Ended 31 December 2014



# HALLIDAYS

Hallidays  
Statutory Auditor  
Riverside House  
Kings Reach Business Park  
Yew Street  
Stockport  
SK4 2HD

# Ash Hire & Sales Limited

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# Ash Hire & Sales Limited

## Company Information

### Directors

D Hardman  
P M Oldham

### Company secretary

D Hardman

### Registered office

Bredbury Park Way  
Bredbury Park Industrial Estate  
Bredbury  
Stockport  
Cheshire  
SK6 2SN

### Auditors

Hallidays  
Statutory Auditor  
Riverside House  
Kings Reach Business Park  
Yew Street  
Stockport  
SK4 2HD

**Ash Hire & Sales Limited**  
**Directors' Report for the Year Ended 31 December 2014**

The directors present their report and the financial statements for the year ended 31 December 2014.

**Directors of the company**

The directors who held office during the year were as follows:

I Hulbert (shareholder exit 11 September 2014)

D Hardman - Company secretary and director

P M Oldham

**Disclosure of information to the auditor**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditor is unaware of.

**Registered Office**

Bredbury Park Way

Bredbury Park Industrial Estate

Bredbury

Stockport

Cheshire

SK6 2SN

**Small company provisions**

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 21 September 2015 and signed on its behalf by:

.....

P M Oldham

Director

## **Ash Hire & Sales Limited**

### **Statement of Directors' Responsibilities**

The directors are responsible for preparing the Annual 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 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 apply them consistently;
- make judgements 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.

## Independent Auditor's Report to the Members of Ash Hire & Sales Limited

We have audited the financial statements of Ash Hire & Sales Limited for the year ended 31 December 2014, set out on pages 6 to 16. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Statement of Directors' Responsibilities (set out on page 3), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

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

### **Opinion on the 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 December 2014 and of its losses for the year then ended;

• have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities;

• 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# **Independent Auditor's Report to the Members of Ash Hire & Sales Limited**

**..... continued**

## **Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

.....  
Philip Jones BA (Hons) FCCA (Senior Statutory Auditor)  
For and on behalf of Hallidays, Statutory Auditor

Riverside House  
Kings Reach Business Park  
Yew Street  
Stockport  
SK4 2HD

21 September 2015

**Ash Hire & Sales Limited**  
**Profit and Loss Account for the Year Ended 31 December 2014**

	Note	2014 £	2013 £
Turnover		609,569	874,912
Cost of sales		<u>(484,766)</u>	<u>(617,108)</u>
Gross profit		124,803	257,804
Administrative expenses		<u>(121,224)</u>	<u>(227,586)</u>
Operating profit	<u>2</u>	3,579	30,218
Interest payable and similar charges		<u>(34,856)</u>	<u>(39,121)</u>
Loss on ordinary activities before taxation		(31,277)	(8,903)
Tax on loss on ordinary activities	<u>3</u>	<u>(761)</u>	<u>25,730</u>
(Loss)/profit for the financial year	<u>11</u>	<u><u>(32,038)</u></u>	<u><u>16,827</u></u>

The notes on pages 9 to 16 form an integral part of these financial statements.



# Ash Hire & Sales Limited

## Statement of Total Recognised Gains and Losses for the Year Ended 31 December 2014

	Note	2014 £	2013 £
(Loss)/profit for the financial year		(32,038)	16,827
Prior year adjustment		<u>(20,800)</u>	<u>-</u>
Total recognised gains and losses since last annual report		<u><u>(52,838)</u></u>	<u><u>16,827</u></u>

The notes on pages 9 to 16 form an integral part of these financial statements.

**Ash Hire & Sales Limited**  
**(Registration number: 05409379)**  
**Balance Sheet at 31 December 2014**

	Note	2014 £	2013 £
<b>Fixed assets</b>			
Intangible fixed assets	<u>4</u>	24,274	45,074
Tangible fixed assets	<u>5</u>	<u>363,093</u>	<u>721,199</u>
		<u>387,367</u>	<u>766,273</u>
<b>Current assets</b>			
Stocks		-	12,768
Debtors	<u>6</u>	<u>264,399</u>	<u>437,591</u>
		264,399	450,359
Creditors: Amounts falling due within one year	<u>7</u>	<u>(676,176)</u>	<u>(977,162)</u>
Net current liabilities		<u>(411,777)</u>	<u>(526,803)</u>
Total assets less current liabilities		(24,410)	239,470
Creditors: Amounts falling due after more than one year	<u>8</u>	(57,383)	(269,187)
Provisions for liabilities	<u>9</u>	<u>(9,289)</u>	<u>(8,527)</u>
Net liabilities		<u>(91,082)</u>	<u>(38,244)</u>
<b>Capital and reserves</b>			
Called up share capital	<u>10</u>	100	100
Profit and loss account	<u>11</u>	<u>(91,182)</u>	<u>(38,344)</u>
Shareholders' deficit		<u>(91,082)</u>	<u>(38,244)</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective 2008).

Approved and authorised for issue by the Board on 21 September 2015 and signed on its behalf by:

.....  
D Hardman  
Company secretary and director

.....  
P M Oldham  
Director

The notes on pages 9 to 16 form an integral part of these financial statements.  
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**Ash Hire & Sales Limited**  
**Notes to the Financial Statements for the Year Ended 31 December 2014**  
**..... continued**

**1 Accounting policies**

**Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

**Going concern**

The entity continues to rely on the support of its group and related companies. The directors have assessed the group and company's forecasts to December 2015 which show that the group is able to continue to operate within its existing facilities. These facilities are renewed annually and are not guaranteed for the period covered by the going concern review. The directors are not aware, however, of any circumstances that may adversely affect the renewal of these facilities. The directors anticipate the continuing support of its group and related companies for a period of at least twelve months from the approval of these financial statements and on this basis, the directors consider it appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from a withdrawal of the group and related company support.

**Turnover**

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers. Turnover is recognised upon despatch of goods or delivery of service

**Goodwill**

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

**Amortisation**

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimate residual value, over their expected useful economic life as follows

<b>Asset class</b>	<b>Amortisation method and rate</b>
Goodwill	10 years

**Depreciation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Plant & Machinery	10%-25% reducing balance
Motor Vehicles	25% on cost
Office Equipment	15%-25% on cost

**Stock**

Stocks are valued at the lower of cost or net realisable value after making due allowances for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**Ash Hire & Sales Limited**  
**Notes to the Financial Statements for the Year Ended 31 December 2014**

*..... continued*

**Deferred tax**

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by the FRSSE. Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

**Hire purchase and leasing**

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital elements of future obligations under the leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. Assets held under hire purchase agreements are capitalised as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital element of future finance payments is included within creditors. Finance charges are allocated to accounting periods over the length of the contract and represent a constant proportion of the balance of capital repayments outstanding.

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

**Pensions**

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

**Ash Hire & Sales Limited**  
**Notes to the Financial Statements for the Year Ended 31 December 2014**  
*..... continued*

**2 Operating profit**

Operating profit is stated after charging:

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Auditor's remuneration - The audit of the company's annual accounts	4,774	2,688
Profit on sale of tangible fixed assets	(11,993)	(14,397)
Depreciation of tangible fixed assets	119,676	138,559
Amortisation	<u>20,800</u>	<u>20,800</u>
	<u>          </u>	<u>          </u>

**3 Taxation**

**Tax on loss on ordinary activities**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	<u>761</u>	<u>(25,730)</u>

**4 Intangible fixed assets**

	<b>Goodwill</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>Cost</b>		
At 1 January 2014	<u>208,000</u>	<u>208,000</u>
At 31 December 2014	<u>208,000</u>	<u>208,000</u>
<b>Amortisation</b>		
At 1 January 2014	162,926	162,926
Charge for the year	<u>20,800</u>	<u>20,800</u>
At 31 December 2014	<u>183,726</u>	<u>183,726</u>
<b>Net book value</b>		
At 31 December 2014	<u>24,274</u>	<u>24,274</u>
At 31 December 2013	<u>45,074</u>	<u>45,074</u>

**Ash Hire & Sales Limited**  
**Notes to the Financial Statements for the Year Ended 31 December 2014**  
*..... continued*

**5 Tangible fixed assets**

	Plant and machinery £	Motor vehicles £	Office equipment £	Total £
<b>Cost or valuation</b>				
At 1 January 2014	920,071	9,329	28,786	958,186
Additions	5,400	-	-	5,400
Disposals	(424,128)	(9,329)	-	(433,457)
At 31 December 2014	<u>501,343</u>	<u>-</u>	<u>28,786</u>	<u>530,129</u>
<b>Depreciation</b>				
At 1 January 2014	221,602	6,075	9,310	236,987
Charge for the year	116,491	905	2,280	119,676
Eliminated on disposals	(182,647)	(6,980)	-	(189,627)
At 31 December 2014	<u>155,446</u>	<u>-</u>	<u>11,590</u>	<u>167,036</u>
<b>Net book value</b>				
At 31 December 2014	<u>345,897</u>	<u>-</u>	<u>17,196</u>	<u>363,093</u>
At 31 December 2013	<u>698,469</u>	<u>3,254</u>	<u>19,476</u>	<u>721,199</u>

**Leased assets**

Included within the net book value of tangible fixed assets is £294,908 (2013 - £636,964) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £62,820 (2013 - £113,710).

**6 Debtors**

	2014 £	2013 £
Trade debtors	50,007	141,554
Amounts owed by group undertakings and undertakings in which the company has a participating interest	180,149	176,156
Other debtors	<u>34,243</u>	<u>119,881</u>
	<u>264,399</u>	<u>437,591</u>

**Ash Hire & Sales Limited**  
**Notes to the Financial Statements for the Year Ended 31 December 2014**  
*..... continued*

**7 Creditors: Amounts falling due within one year**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Trade creditors	6,292	26,883
Bank loans and overdrafts	357,006	348,106
Obligations under finance lease and hire purchase contracts	118,085	220,717
Amounts owed to group undertakings and undertakings in which the company has a participating interest	93,906	-
Corporation tax	-	128
Other taxes and social security	87,229	122,357
Other creditors	13,658	258,971
	<u>676,176</u>	<u>977,162</u>

Creditors amounts falling due within one year includes the following liabilities, on which security has been given by the company:

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Bank overdraft	326,816	321,969
Bank loan	30,190	26,138
Obligations under finance leases and hire purchase contracts	118,085	220,716
	<u>475,091</u>	<u>568,823</u>

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

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	20,573	50,961
Obligations under finance lease and hire purchase contracts	36,810	218,226
	<u>57,383</u>	<u>269,187</u>

**Ash Hire & Sales Limited**  
**Notes to the Financial Statements for the Year Ended 31 December 2014**  
*..... continued*

Creditors amounts falling due after more than one year includes the following liabilities, on which security has been given by the company:

	2014 £	2013 £
Bank loan	20,572	50,961
Obligations under finance leases and hire purchase contracts	<u>36,811</u>	<u>218,226</u>
	<u>57,383</u>	<u>269,187</u>

The obligations under finance lease and hire purchase contracts are secured against the assets to which they relate.

The bank loan represents loans secured by a debenture and a fixed charge over the company's property.

**9 Provisions**

	Deferred tax £	Total £
At 1 January 2014	8,527	8,527
Charged to the profit and loss account	<u>762</u>	<u>762</u>
At 31 December 2014	<u>9,289</u>	<u>9,289</u>

**Analysis of deferred tax**

	2014 £	2013 £
Difference between accumulated depreciation and amortisation and capital allowances	<u>9,228</u>	<u>8,527</u>

**10 Share capital**

**Allotted, called up and fully paid shares**

	2014		2013	
	No.	£	No.	£
Ordinary shares of £1 each	100	100	100	100
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>



**Ash Hire & Sales Limited**  
**Notes to the Financial Statements for the Year Ended 31 December 2014**  
*..... continued*

**11 Reserves**

	<b>Profit and loss account £</b>	<b>Total £</b>
At 1 January 2014	(38,344)	(38,344)
Prior year adjustment	<u>(20,800)</u>	<u>(20,800)</u>
At 1 January 2014 as restated	(59,144)	(59,144)
Loss for the year	<u>(32,038)</u>	<u>(32,038)</u>
At 31 December 2014	<u><u>(91,182)</u></u>	<u><u>(91,182)</u></u>

**12 Pension schemes**

**Defined contribution pension scheme**

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £37 (2013 - £271).

**13 Contingent liabilities**

There is a cross composite guarantee in favour of the Royal Bank of Scotland Plc in respect of all companies within the group. The amount guaranteed is £413,710 (2013 - £613,407).

**14 Related party transactions**

**Other related party transactions**

During the year the company made the following related party transactions:

**Mechplant Northwest Limited**

(The company is associated by way of Mr P M Oldham's controlling interest.

)

Sales of £24,242 (2013: £16,284) and purchases of £12,067 (2013: £9,275) were made during the year. At the balance sheet date the amount due to Mechplant Northwest Limited was £1,445 (2013 - £7,405).

**Arnold Plant Hire Limited**

(The company is associated by way of Mr P M Oldham's controlling interest.

)

Sales of £45,297 (2013: £111,038) and purchases of £79,985 (2013: £49,653) were made during the year. At the balance sheet date the amount due to Arnold Plant Hire Limited was £6,853 (2013 - £18,650).

**Ash Hire & Sales Limited**  
**Notes to the Financial Statements for the Year Ended 31 December 2014**  
**..... continued**

**Fast Hire and Sales Limited**

(The company is associated by way of Mr P M Oldham's controlling interest.

)

Sales of £8,919 (2013: £11,113) and purchases of £nil (2013: £9,553) were made during the year. At the balance sheet date the amount due from Fast Hire and Sales Limited was £116,045 (2013 - £165,886).

**Stanton Plant Hire Limited**

(The company is associated by way of Mr P M Oldham's controlling interest.)

Sales of £nil (2013: £nil) and purchases of £nil (2013: £12,276) were made during the year. At the balance sheet date the amount due from Stanton Plant Hire Limited was £1,322 (2013 - £758).

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the group.

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**Control**

The company is controlled by Westgate Holdings Limited Westgate Holdings Limited, a company incorporated in England and Wales. The ultimate controlling party is Mr P M Oldham .

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