

Welfare Hire Nationwide Limited

Directors' Report and Financial Statements

Year Ended

30 September 2018

Company Number 07992228



Welfare Hire Nationwide Limited

Company Information

Directors	J B Wood J S Battersby W B Kellie D Cooper
Registered number	07992228
Registered office	Unit F Trident Park Rosie Road Normanton WF6 1ZB
Independent auditor	BDO LLP Central Square 29 Wellington Street Leeds LS1 4DL
Solicitors	Addleshaw Goddard 3 Sovereign Square Sovereign Street Leeds Leeds

Welfare Hire Nationwide Limited

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Welfare Hire Nationwide Limited

Directors' Report For the Year Ended 30 September 2018

The directors present their report together with the audited financial statements for the year ended 30 September 2018.

Principal activity

The principal activity of the Company is the hire of mobile welfare facilities and lighting towers.

Results and dividends

The profit for the year, after taxation, amounted to £2,251,998 (2017 - £2,141,772).

Interim dividends of £Nil (2017 - £1,200,000) were paid to ordinary shareholders in the year.

The directors do not recommend the payment of a final dividend (2017 - £Nil).

Directors

The directors who served during the year were:

J B Wood
J S Battersby
W B Kellie
D Cooper

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 26th February 2019 and signed on its behalf.



J B Wood
Director

Welfare Hire Nationwide Limited

Directors' Responsibilities Statement For the Year Ended 30 September 2018

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and 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; 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.

Welfare Hire Nationwide Limited

Independent Auditor's Report to the Members of Welfare Hire Nationwide Limited

Opinion

We have audited the financial statements of Welfare Hire Nationwide Limited ("the Company") for the year ended 30 September 2018 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Welfare Hire Nationwide Limited

Independent Auditor's Report to the Members of Welfare Hire Nationwide Limited (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Welfare Hire Nationwide Limited

Independent Auditor's Report to the Members of Welfare Hire Nationwide Limited (continued)

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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.

BDO LLP

Mark Langford (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Leeds
United Kingdom

Date: 1 March 2019

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Welfare Hire Nationwide Limited

Statement of Comprehensive Income For the Year Ended 30 September 2018

	Note	2018 £	2017 £
Turnover	4	9,059,730	7,321,091
Cost of sales		(4,143,890)	(3,299,601)
Gross profit		4,915,840	4,021,490
Administrative expenses		(1,590,270)	(1,225,414)
Operating profit	5	3,325,570	2,796,076
Interest payable and expenses	8	(442,767)	(344,755)
Exceptional finance costs		(117,762)	-
Profit before tax		2,765,041	2,451,321
Tax on profit	10	(513,043)	(309,549)
Profit for the financial year		2,251,998	2,141,772

There was no other comprehensive income for 2018 (2017:£NIL).

The notes on pages 9 to 20 form part of these financial statements.

Welfare Hire Nationwide Limited

Registered number: 07992228

Statement of Financial Position As at 30 September 2018

	Note	2018 £	2018 £	2017 £	2017 £
Fixed assets					
Intangible assets	12		-		-
Tangible assets	13		17,584,119		12,817,176
Current assets					
Stocks	14	137,424		99,682	
Debtors: amounts falling due within one year	15	5,261,153		2,301,936	
Cash at bank and in hand		279,294		189,398	
		<u>5,677,871</u>		<u>2,591,016</u>	
Creditors: amounts falling due within one year	16	(3,904,305)		(5,752,554)	
Net current assets/(liabilities)			<u>1,773,566</u>		<u>(3,161,538)</u>
Total assets less current liabilities			<u><u>19,357,685</u></u>		<u><u>9,655,638</u></u>
Creditors: amounts falling due after more than one year	17		12,875,006		5,672,683
Provision for liabilities					
Deferred tax	19		891,306		643,580
Capital and reserves					
Called up share capital	20	95,000		95,000	
Profit and loss account		5,496,373		3,244,375	
			<u>5,591,373</u>		<u>3,339,375</u>
			<u><u>19,357,685</u></u>		<u><u>9,655,638</u></u>

The Company's financial statements have been prepared in accordance with the 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 26th February 2019.

J S Battersby
Director

The notes on pages 9 to 20 form part of these financial statements.

Welfare Hire Nationwide Limited

Statement of Changes in Equity For the Year Ended 30 September 2018

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 October 2017	95,000	3,244,375	3,339,375
Comprehensive income for the year			
Profit for the year	-	2,251,998	2,251,998
Total comprehensive income for the year	-	2,251,998	2,251,998
At 30 September 2018	95,000	5,496,373	5,591,373

Statement of Changes in Equity For the Year Ended 30 September 2017

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 October 2016	95,000	2,302,603	2,397,603
Comprehensive income for the year			
Profit for the year	-	2,141,772	2,141,772
Total comprehensive income for the year	-	2,141,772	2,141,772
Dividends: Equity capital	-	(1,200,000)	(1,200,000)
Total transactions with owners	-	(1,200,000)	(1,200,000)
At 30 September 2017	95,000	3,244,375	3,339,375

The notes on pages 9 to 20 form part of these financial statements.

Welfare Hire Nationwide Limited

Notes to the Financial Statements For the Year Ended 30 September 2018

1. General information

Welfare Hire Nationwide Limited is a private company, limited by shares, incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the Company Information page and the nature of the company's operations and its principal activities are set out in the Directors' Report.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The presentation currency is GB Pounds.

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

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 Skye Topco Limited as at 30 September 2018 and these financial statements may be obtained from 44 Esplanade, St Helier, Jersey, JE4 9WG.

2.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Hire income is recognised monthly in arrears. Recharges are recognised when the costs which are to be recharged have been incurred.

Welfare Hire Nationwide Limited

Notes to the Financial Statements For the Year Ended 30 September 2018

2. Accounting policies (continued)

2.4 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.

2.5 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the income statement over its useful economic life.

2.6 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.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property	- 10% per annum
Plant and machinery	- 10 - 20% per annum
Motor vehicles	- 14 - 31% per annum
Computer equipment	- 33% per annum

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.

Welfare Hire Nationwide Limited

Notes to the Financial Statements For the Year Ended 30 September 2018

2. Accounting policies (continued)

2.7 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.8 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.

2.9 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.

2.10 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 and loans to related parties.

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.

2.11 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.

2.12 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.

Welfare Hire Nationwide Limited

Notes to the Financial Statements For the Year Ended 30 September 2018

2. Accounting policies (continued)

2.13 Operating leases: lessee

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

2.14 Leased assets: lessee

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to profit or loss over the shorter of estimated useful economic life and the term of the lease.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to profit or loss over the term of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

2.15 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 reporting 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 Statement of Financial Position 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 reporting date.

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

The key judgements and sources of estimation uncertainty are the useful economic lives and residual values of tangible fixed assets, which have been calculated by the directors based on their experience of the industry.

A suitable method has been applied to ensure that the interest on hire purchase liabilities has been calculated so as to apply a constant rate of interest over the term of the lease.

Welfare Hire Nationwide Limited

Notes to the Financial Statements For the Year Ended 30 September 2018

4. Analysis of turnover

The whole of the turnover is attributable to the principal activity of the company.

All turnover in the year ended 2018 and 2017 arose within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets	1,317,441	903,512
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	7,800	7,500
Defined contribution pension cost	8,950	5,114
Loss/(profit) on disposal of fixed assets	4,304	(2,730)
	<u>1,338,495</u>	<u>913,396</u>

6. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2018 No.	2017 No.
Employees	52	41
	<u>52</u>	<u>41</u>

7. Directors' remuneration

	2018 £	2017 £
Directors' emoluments	92,275	86,707
	<u>92,275</u>	<u>86,707</u>

8. Interest payable and similar charges

	2018 £	2017 £
Other loan interest payable	405	1,127
Loans from group undertakings	305,006	-
Finance leases and hire purchase contracts	137,356	343,628
	<u>442,767</u>	<u>344,755</u>

Welfare Hire Nationwide Limited

Notes to the Financial Statements For the Year Ended 30 September 2018

9. Exceptional finance costs

	2018 £	2017 £
Hire purchase early settlement premium	117,762	-

10. Taxation

	2018 £	2017 £
Corporation tax		
Current tax on profits for the year	265,317	73,120
Deferred tax		
Origination and reversal of timing differences	247,726	236,429
Tax on profit	513,043	309,549

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2017 - lower than) the standard rate of corporation tax in the UK of 19.0% (2017 - 19.5%). The differences are explained below:

	2018 £	2017 £
Profit before tax	2,765,041	2,451,321
Profit before tax multiplied by standard rate of corporation tax in the UK of 19.0% (2017 - 19.5%)	525,358	478,008
Effects of:		
Expenses not deductible for tax purposes	31	194
Capital allowances for year in excess of depreciation	-	689
Fixed asset differences	633	-
Adjustments to tax charge in respect of prior periods for deferred tax	14,464	-
Adjust closing deferred tax to average rate	(104,860)	(34,750)
Adjust opening deferred tax rate to average rate	77,417	-
Group relief	-	(134,592)
Total tax charge for the year	513,043	309,549

Welfare Hire Nationwide Limited

Notes to the Financial Statements For the Year Ended 30 September 2018

10. Taxation (continued)

Factors that may affect future tax charges

Reductions in the UK Corporation tax rate from 20% to 17% (19% effective from 1 April 2017 and 17% effective from 1 April 2020) have been substantively enacted. This will impact the company's future tax charge accordingly. The deferred tax asset at 30 September 2018 has been calculated based on the rates substantively enacted at the date of the statement of financial position.

11. Dividends

	2018 £	2017 £
Ordinary		
Dividends analysis on equity capital	-	1,200,000

12. Intangible assets

	Goodwill £
Cost	
At 1 October 2017	12,404
At 30 September 2018	12,404
Amortisation	
At 1 October 2017	12,404
At 30 September 2018	12,404
Net book value	
At 30 September 2018	-
At 30 September 2017	-

Welfare Hire Nationwide Limited

Notes to the Financial Statements For the Year Ended 30 September 2018

13. Tangible fixed assets

	Long-term leasehold property £	Plant and machinery £	Motor vehicles £	Computer equipment £	Total £
Cost or valuation					
At 1 October 2017	66,190	14,156,805	664,826	78,715	14,966,536
Additions	269	5,858,577	291,287	26,184	6,176,317
Disposals	-	(79,278)	(168,959)	(14,486)	(262,723)
At 30 September 2018	<u>66,459</u>	<u>19,936,104</u>	<u>787,154</u>	<u>90,413</u>	<u>20,880,130</u>
Depreciation					
At 1 October 2017	13,847	1,946,888	163,093	25,532	2,149,360
Charge for the year on owned assets	9,888	1,087,031	197,352	23,170	1,317,441
Disposals	-	(41,011)	(115,292)	(14,487)	(170,790)
At 30 September 2018	<u>23,735</u>	<u>2,992,908</u>	<u>245,153</u>	<u>34,215</u>	<u>3,296,011</u>
Net book value					
At 30 September 2018	<u>42,724</u>	<u>16,943,196</u>	<u>542,001</u>	<u>56,198</u>	<u>17,584,119</u>
At 30 September 2017	<u>52,343</u>	<u>12,209,917</u>	<u>501,733</u>	<u>53,183</u>	<u>12,817,176</u>

The net book value of assets held under finance leases or hire purchase contracts and secured by loan facilities, included above, are as follows:

	2018 £	2017 £
Plant and machinery	16,782,839	11,538,348
Motor vehicles	542,001	501,732
	<u>17,324,840</u>	<u>12,040,080</u>

Welfare Hire Nationwide Limited

Notes to the Financial Statements For the Year Ended 30 September 2018

14. Stocks

	2018 £	2017 £
Finished goods and goods for resale	137,424	99,682

The amount recognised in the profit and loss for the year in respect of impairment of stock is £Nil (2017 - £Nil).

15. Debtors

	2018 £	2017 £
Trade debtors	2,490,812	2,174,162
Amounts owed by group undertakings	2,672,564	-
Other debtors	6,615	6,251
Called up share capital not paid	-	20,000
Prepayments and accrued income	91,162	101,523
	<u>5,261,153</u>	<u>2,301,936</u>

The amount recognised in the profit and loss for the year in respect of impairment of trade debtors is £53,705 (2017 - £28,164).

16. Creditors: Amounts falling due within one year

	2018 £	2017 £
Invoice discounting facility	-	289,290
Trade creditors	1,097,484	308,323
Amounts owed to group undertakings	1,908,757	2,127,638
Corporation tax	258,817	73,120
Other taxation and social security	478,366	209,486
Obligations under finance lease and hire purchase contracts	-	2,605,122
Other creditors	-	59
Accruals and deferred income	160,881	139,516
	<u>3,904,305</u>	<u>5,752,554</u>

Finance leases and hire purchase contracts are secured against the asset to which they relate.

Welfare Hire Nationwide Limited

Notes to the Financial Statements For the Year Ended 30 September 2018

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

	2018 £	2017 £
Net obligations under finance leases and hire purchase contracts	-	5,672,683
Amounts owed to group undertakings	<u>12,875,006</u>	<u>-</u>

Secured loans

Finance leases and hire purchase contracts are secured against the asset to which they relate.

18. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2018 £	2017 £
Within one year	-	2,605,122
Between 1-5 years	-	5,672,683
	<u>-</u>	<u>8,277,805</u>

19. Deferred taxation

	2018 £	2017 £
At beginning of year	643,580	407,151
Charged to profit or loss	247,726	236,429
At end of year	<u>891,306</u>	<u>643,580</u>

The provision for deferred taxation is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	<u>891,306</u>	<u>643,580</u>

Welfare Hire Nationwide Limited

Notes to the Financial Statements For the Year Ended 30 September 2018

20. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
95,000 ordinary shares of £1 each	<u>95,000</u>	<u>95,000</u>

21. Reserves

Called up share capital

The called up share capital represents the nominal value of the shares issued.

Profit and loss account

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

22. Capital commitments

At 30 September 2018 the Company had capital commitments as follows:

	2018 £	2017 £
Contracted for but not provided in these financial statements	<u>1,158,580</u>	<u>2,704,780</u>

23. 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 £8,950 (2017 - £5,114). Contributions totalling £6,651 (2017 - £1,314) were payable to the fund at the reporting date and are included in creditors.

24. Commitments under operating leases

At 30 September 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
Not later than 1 year	56,402	53,750
Later than 1 year and not later than 5 years	34,574	77,716
Later than 5 years	676	-
	<u>91,652</u>	<u>131,466</u>

Welfare Hire Nationwide Limited

Notes to the Financial Statements For the Year Ended 30 September 2018

25. Related party transactions

Included within debtors is an amount of £Nil (2017 - £20,000) owed by a director, W B Kellie, at the year end. This amount was interest free and was settled on 12 January 2018..

26. Controlling party

The Company's immediate parent company is Kelling Midco Limited, which is registered at Unit F, Trident Park, Rosie Road, Normanton, United Kingdom, WF6 1ZB. The company's ultimate parent undertaking is Skye Topco Limited, which is registered at 44 Esplanade, St Helier, Jersey, JE4 9WG.

As at 30 September 2018, the largest and smallest group in which the results are consolidated is that headed by Kelling Group Limited (formerly Skye Bidco Limited). The consolidated accounts of the company are available to the public and may be obtained from the registered address of Kelling Group Limited at Unit F, Trident Park, Rosie Road, Normanton, WF6 1ZB.

The group is controlled by Alinda GP of GP III Ltd on the basis that it holds a controlling interest in the voting rights of the share capital in Skye Topco Limited. The largest group in which the results of the group will be consolidated is that headed by Kelling Group Limited.