

REGISTERED NUMBER: 00570773 (England and Wales)

Audited Financial Statements for the Year Ended 31 March 2019

for

Long Marsh Limited

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for the Year Ended 31 March 2019**

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Long Marsh Limited

**Company Information
for the Year Ended 31 March 2019**

DIRECTORS:

Mr S I Groome
Mrs S Groome

SECRETARY:

Mr F D G Cattley

REGISTERED OFFICE:

Heron House
The Embankment
Wellingborough
Northamptonshire
NN8 1LD

REGISTERED NUMBER:

00570773 (England and Wales)

AUDITORS:

Clifford Roberts - Statutory Auditor
63 Broad Green
Wellingborough
Northamptonshire
NN8 4LQ

Balance Sheet
31 March 2019

	Notes	2019 £	£	2018 £	£
FIXED ASSETS					
Intangible assets	5		7,610		7,941
Tangible assets	6		<u>8,128,380</u>		<u>6,690,186</u>
			8,135,990		6,698,127
CURRENT ASSETS					
Stocks	7	69,286		61,611	
Debtors	8	851,303		725,893	
Rental fleet	9	2,123,531		2,138,077	
Cash at bank and in hand		<u>1,284,672</u>		<u>1,310,830</u>	
		4,328,792		4,236,411	
CREDITORS					
Amounts falling due within one year	10	<u>3,938,061</u>		<u>3,505,265</u>	
NET CURRENT ASSETS			390,731		731,146
TOTAL ASSETS LESS CURRENT LIABILITIES			8,526,721		7,429,273
CREDITORS					
Amounts falling due after more than one year	11		(2,809,809)		(2,340,487)
PROVISIONS FOR LIABILITIES	14		<u>(199,638)</u>		<u>(210,135)</u>
NET ASSETS			<u>5,517,274</u>		<u>4,878,651</u>
CAPITAL AND RESERVES					
Called up share capital	15		250,250		250,250
Retained earnings			<u>5,267,024</u>		<u>4,628,401</u>
SHAREHOLDERS' FUNDS			<u>5,517,274</u>		<u>4,878,651</u>

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

In accordance with Section 444 of the Companies Act 2006, the Statement of Income and Retained Earnings has not been delivered.

The financial statements were approved by the Board of Directors on 11 October 2019 and were signed on its behalf by:

Mr S I Groome - Director

**Notes to the Financial Statements
for the Year Ended 31 March 2019**

1. STATUTORY INFORMATION

Long Marsh Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Significant judgements and estimates

In the application of the Company's accounting policies, which are described below, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on the historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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.

Critical judgements in applying the Company's accounting policies

The following is the only critical judgement, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

The residual value of the rental fleet has been measured based on estimated useful economic life and estimated future sales value. Residual values are based on the latest market data for second hand fleet sales and economic lives are based on historical experience of how long the company holds vehicles.

Key source of estimation and uncertainty

Determining the vehicles which have been earmarked for sale based on the age and condition of the vehicle, which have been transferred from fixed assets to current assets.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2019**

3. ACCOUNTING POLICIES - continued

Revenue

Turnover represents net invoiced sales excluding value added tax.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Licence is being amortised evenly over its estimated useful life of twenty five years.

Tangible fixed assets and rental fleet

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

Freehold property	- 2% on cost
Plant and machinery	- 33% on cost and 20% on cost
Rental fleet	- 33% on cost and 20% on cost

Rental fleet assets are reclassified from fixed assets to current assets, at the point at which there is an intention to dispose of them within the following 12 months reflecting the predominant remaining period of ownership.

Stocks

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

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised as the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Taxation

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

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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 profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit and loss in the period to which they relate.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2019**

3. ACCOUNTING POLICIES - continued

Debtors and creditors

Short term debtors are measured at transaction price, less any impairment.

Short term trade 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.

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 accounts receivable and payable, loans from banks and other third parties.

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 payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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

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

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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 Income statement in the year that the company becomes aware of the obligation, and are measured as the best estimate at the balance sheet date of the amount 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.

4. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 41 (2018 - 38) .

Notes to the Financial Statements - continued
for the Year Ended 31 March 2019

5. INTANGIBLE FIXED ASSETS

	Other intangible assets £
COST	
At 1 April 2018 and 31 March 2019	<u>8,272</u>
AMORTISATION	
At 1 April 2018	331
Charge for year	<u>331</u>
At 31 March 2019	<u>662</u>
NET BOOK VALUE	
At 31 March 2019	<u>7,610</u>
At 31 March 2018	<u>7,941</u>

6. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Rental fleet £	Totals £
COST				
At 1 April 2018	1,426,909	314,219	6,931,982	8,673,110
Additions	145,347	31,456	4,675,832	4,852,635
Disposals	-	(16,771)	(402,874)	(419,645)
Reclassification/transfer	-	-	(2,821,625)	(2,821,625)
At 31 March 2019	<u>1,572,256</u>	<u>328,904</u>	<u>8,383,315</u>	<u>10,284,475</u>
DEPRECIATION				
At 1 April 2018	228,473	254,300	1,500,151	1,982,924
Charge for year	17,155	21,159	1,656,477	1,694,791
Eliminated on disposal	-	(16,289)	(102,428)	(118,717)
Reclassification/transfer	-	-	(1,402,903)	(1,402,903)
At 31 March 2019	<u>245,628</u>	<u>259,170</u>	<u>1,651,297</u>	<u>2,156,095</u>
NET BOOK VALUE				
At 31 March 2019	<u>1,326,628</u>	<u>69,734</u>	<u>6,732,018</u>	<u>8,128,380</u>
At 31 March 2018	<u>1,198,436</u>	<u>59,919</u>	<u>5,431,831</u>	<u>6,690,186</u>

Included in cost of land and buildings is freehold land of £ 567,154 (2018 - £ 567,154) which is not depreciated.

Certain freehold land and buildings of the company are pledged as security for the company's bank loan.

Certain rental fleet vehicles are pledged as security for some of the company's hire purchase agreements.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2019

6. TANGIBLE FIXED ASSETS - continued

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

	Rental fleet £
COST	
At 1 April 2018	6,657,941
Additions	4,631,491
Transfer to ownership	(534,099)
Reclassification/transfer	(2,563,721)
At 31 March 2019	<u>8,191,612</u>
DEPRECIATION	
At 1 April 2018	1,284,111
Charge for year	1,628,851
Transfer to ownership	(195,618)
Reclassification/transfer	(1,176,710)
At 31 March 2019	<u>1,540,634</u>
NET BOOK VALUE	
At 31 March 2019	<u>6,650,978</u>
At 31 March 2018	<u>5,373,830</u>

7. STOCKS

	2019 £	2018 £
Stocks	<u>69,286</u>	<u>61,611</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade	569,449	558,139
Other	38,334	-
Prepayments	243,520	167,754
	<u>851,303</u>	<u>725,893</u>

9. RENTAL FLEET

	2019 £	2018 £
Rental fleet held for disposal	<u>2,123,531</u>	<u>2,138,077</u>

Current rental fleet vehicles with a value of £1,417,860 (2018 - £1,697,631) have been pledged to secure borrowings of the company in the form of hire purchase agreements.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2019

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Bank loan	21,418	15,478
Hire purchase contracts (see note 12)	3,388,957	2,950,213
Trade	283,789	270,315
Taxation and social security	213,158	172,252
Other	30,739	97,007
	<u>3,938,061</u>	<u>3,505,265</u>

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019 £	2018 £
Bank loan	18,291	45,197
Hire purchase contracts (see note 12)	2,791,518	2,295,290
	<u>2,809,809</u>	<u>2,340,487</u>

12. HIRE PURCHASE AND LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2019 £	2018 £
Net obligations repayable:		
Within one year	3,388,957	2,950,213
Between one and five years	2,791,518	2,295,290
	<u>6,180,475</u>	<u>5,245,503</u>

	Non-cancellable operating leases	
	2019 £	2018 £
Within one year	23,092	38,926

Notes to the Financial Statements - continued
for the Year Ended 31 March 2019

13. SECURED DEBTS

The following secured debts are included within creditors:

	2019 £	2018 £
Bank loan	39,709	60,675
Hire purchase	6,180,475	5,245,503
	<u>6,220,184</u>	<u>5,306,178</u>

HSBC Bank PLC hold a first legal charge over land and buildings lying to the East of The Embankment, Wellingborough dated 22 November 2011. The company also entered into a negative pledge agreement, which prevents it from pledging assets to other lenders

14. PROVISIONS FOR LIABILITIES

	2019 £	2018 £
Deferred Tax		
Capital allowances in excess of depreciation	167,740	146,551
Other provisions	31,898	63,584
	<u>199,638</u>	<u>210,135</u>

Deferred Tax

	£	£
Balance at 1 April 2018	146,551	174,654
Accelerated capital allowances	21,189	(28,094)
Balance at 31 March 2019	<u>167,740</u>	<u>146,551</u>

Other provisions

	£	£
Balance at 1 April 2018	63,584	76,937
Movement	(31,686)	(13,353)
Balance at 31 March 2019	<u>31,898</u>	<u>63,584</u>

15. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2019 £	2018 £
250,000	Ordinary	£1	250,000	250,000
185	Ordinary A	£1	185	185
65	Ordinary B	£1	65	65
			<u>250,250</u>	<u>250,250</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2019

16. **DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

The Report of the Auditors was unqualified.

Mr LJP O'Malley (Senior Statutory Auditor)
for and on behalf of Clifford Roberts - Statutory Auditor

17. **CAPITAL COMMITMENTS**

	2019 £	2018 £
Contracted but not provided for in the financial statements	<u>150,657</u>	<u>-</u>

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.