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GREATER LONDON HIRE LIMITED

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FINANCIAL ACCOUNTS FOR THE  
YEAR ENDED 30TH APRIL 2001



HAGER STENHOUSE & CO.  
QUALIFIED ACCOUNTANTS

GREATER LONDON HIRE LIMITED

DIRECTORS: J M Scott  
R D Rosling  
I R Gibbons (Non-Executive)

SECRETARY: N Michaeloudis

REGISTERED OFFICE: 14-18 High Road  
London N2 9PJ

REGISTERED NUMBER: 1156173

BANKERS: National Westminster Bank Plc  
PO Box 4RY  
250 Regent Street  
London W1A 4RY

SOLICITORS: Maples Teesdale  
21 Lincoln's Inn Fields  
London WC2A 3DU

AUDITORS: Hager Stenhouse & Co.  
Qualified Accountants  
206 High Road  
London N15 4NP

GREATER LONDON HIRE LIMITED  
FINANCIAL ACCOUNTS  
FOR THE YEAR ENDED 30TH APRIL 2001

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The following pages do not form part of the Statutory Accounts

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1. Trading and Profit and Loss Account
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**GREATER LONDON HIRE LIMITED**  
**REPORT OF THE DIRECTORS**

**FOR THE YEAR ENDED 30TH APRIL 2001**

The directors present their annual report with the accounts of the company for the year ended 30th April 2001.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was car, bike and van delivery services.

**REVIEW OF BUSINESS**

A summary of the results for the year is given on page 4 of the accounts. The directors consider the state of affairs to be satisfactory.

**DIVIDENDS**

The directors recommend a dividend of £25,000 which leaves a Profit of £41,890 to be added to retained earnings.

**FIXED ASSETS**

In the opinion of the directors, the open market value of the company's Freehold Land and Buildings is not materially in excess of that shown in the accounts in relation to its use in the company's trade.

**DIRECTORS**

The directors in office in the year and their beneficial interests in the company's issued ordinary share capital were as follows:

	Ordinary Shares of £1 each	
	<u>2001</u>	<u>2000</u>
J M Scott	6,312	6,312
J M Scott Trust	1,600	1,600
R D Rosling	0	0
I R Gibbons (Non-Executive)	0	0
	<b>'A' Non-Voting Ordinary</b>	
	<b>Shares of £1 each</b>	
J M Scott	5	5

continued.....

GREATER LONDON HIRE LIMITEDSTATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial accounts for each financial year which 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 those financial accounts the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial accounts comply with the Companies Act 1985. 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.



J M Scott  
Director  
On behalf of the Board

**AUDITORS' REPORT TO THE SHAREHOLDERS OF**  
**GREATER LONDON HIRE LIMITED**

We have audited the financial accounts on pages 4 to 7 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 7a.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described on page 2 the company's directors are responsible for the preparation of financial accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

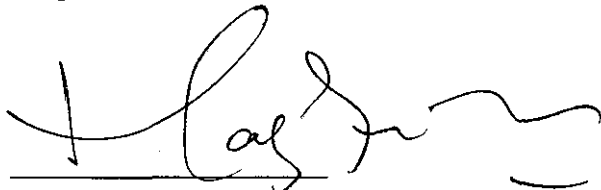
**BASIS OF OPINION**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial accounts.

**OPINION**

In our opinion the financial accounts give a true and fair view of the state of the company's affairs as at 30th April 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



HAGER STENHOUSE & CO.  
Registered Auditors  
Qualified Accountants  
206 High Road  
London N15 4NP

16/11/01

## GREATER LONDON HIRE LIMITED

PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30TH APRIL 2001

	<u>Notes</u>	<u>2001</u>		<u>2000</u>	
		£	£	£	£
TURNOVER	2	4,321,043		4,652,646	
Cost of Sales		2,373,687		2,732,772	
<u>GROSS PROFIT</u>		1,947,356		1,919,874	
Administrative Expenses		1,868,520		2,566,635	
Other Operating Income		(22,328)		(632,855)	
		1,846,192		1,933,780	
<u>OPERATING PROFIT/(LOSS)</u>	3	101,164		(13,906)	
<u>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE INTEREST</u>		101,164		(13,906)	
Interest Payable	7	32,156		33,120	
<u>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</u>		69,008		(47,026)	
Tax on Ordinary Activities	5	2,118		(21,504)	
<u>PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION</u>		66,890		(25,522)	
Dividends	15	25,000		32,400	
<u>RETAINED PROFIT/(LOSS) FOR THE YEAR</u>		£ 41,890		£ (57,922)	
<u>STATEMENT OF RETAINED EARNINGS</u>					
Retained Profit Brought Forward		455,881		513,803	
Retained Profit/(Loss) for the Year		41,890		(57,922)	
<u>RETAINED PROFIT CARRIED FORWARD</u>		£ 497,771		£ 455,881	

None of the company's activities were acquired or discontinued during the above two financial years.

There were no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 7 form part of these accounts.

GREATER LONDON HIRE LIMITEDBALANCE SHEET  
AS AT 30TH APRIL 2001

	<u>Notes</u>	<u>2001</u>	<u>2000</u>
		£	£
<b>FIXED ASSETS</b>			
Tangible Assets	8	534,198	430,583
Investments	16	100	100
		<u>534,298</u>	<u>430,683</u>
<b>CURRENT ASSETS</b>			
Debtors	12	773,368	914,612
Cash in Hand		2,107	3,149
		<u>775,475</u>	<u>917,761</u>
<b>CREDITORS : Amounts Falling</b>			
Due within One Year	9	(703,712)	(806,242)
		<u>71,763</u>	<u>111,519</u>
<b>NET CURRENT ASSETS</b>		<u>71,763</u>	<u>111,519</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>606,061</u>	<u>542,202</u>
<b>CREDITORS : Amounts Falling</b>			
Due After more than One Year	14	100,285	78,314
		<u>£ 505,776</u>	<u>£ 463,888</u>
<b>CAPITAL AND RESERVES</b>			
Share Capital	10	8,005	8,005
Profit and Loss Account	11	497,771	455,883
<b><u>TOTAL SHAREHOLDERS' FUNDS</u></b>	<b>13</b>	<b><u>£ 505,776</u></b>	<b><u>£ 463,888</u></b>

Signed on behalf of the  
board of directors



J M Scott  
Director

Approved by the board:

16/11/01

The notes on pages 7 form part of these accounts.



GREATER LONDON HIRE LIMITEDCASH FLOW STATEMENT  
FOR THE YEAR ENDED 30TH APRIL 2001

	Note	£	2001	£	£	2000	£
NET CASH INFLOW	17						
FROM OPERATING ACTIVITIES				227,808			36,489
Returns on Investments and Servicing of Finance							
Interest Paid		(22,160)				(23,115)	
Interest Element of HP Repayments		(9,996)				(10,005)	
				(32,156)			(33,120)
Taxation				( 2,519)			(14,439)
Capital Expenditure and Financial Investment							
Purchase of Tangible Fixed Assets		(132,088)				(43,258)	
Sale of Tangible Fixed Assets		200				380	
				(131,888)			(42,878)
				61,245			(53,948)
Equity Dividends Paid				(25,000)			(32,400)
				36,245			(86,348)
Financing							
Debt Due Within a Year:							
Bank Loan Repayments		-				(61,974)	
Capital Element of HP Repayments		57,470				(31,570)	
				57,470			(93,544)
<u>INCREASE/(DECREASE) IN CASH</u>				93,715			(179,892)

GREATER LONDON HIRE LIMITEDNOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 30TH APRIL 2001**1. ACCOUNTING POLICIES****Basis of Accounting**

The accounts have been prepared under the historical cost convention as modified to incorporate the revaluation of certain fixed assets.

**Turnover**

Turnover represents the net invoiced sales of goods, excluding VAT.

**Tangible Fixed Assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Leasehold Properties	The period of the lease
Motor Vehicles	25% on cost
Plant and Equipment	4%-15% on cost

**Leased Assets**

Assets held under finance leases and hire purchase contracts are capitalised at the estimated fair value at date of inception of each lease or contract. The assets are depreciated over their expected useful lives. The finance charges are allocated over the primary period of the lease in proportion to the capital element outstanding.

Rentals payable under operating leases are charged to the profit and loss account as incurred.

**Pensions**

The company operates a defined contribution pension scheme. Contributions payable for the year are charged to the profit and loss account.

**2. TURNOVER**

The Turnover and Profit (2000 - Loss) before taxation for the year is attributable to the principal activity of the Company which is car, bike and van delivery services.

GREATER LONDON HIRE LIMITED

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 30TH APRIL 2001

**3. OPERATING PROFIT/(LOSS)**

The Operating Profit (2000 - Loss) is stated  
after charging:

	<u>2001</u> £	<u>2000</u> £
Depreciation of Tangible Fixed Assets	63,267	54,424
Part Reversal of Provision For Diminution in Value of Leasehold Property - See Below	( 35,000)	( 51,681)
Staff Costs - note 4	1,327,718	1,809,143
Auditors' Remuneration	6,125	7,425
Interest Payable	33,156	33,120
Operating Lease Rentals - Plant	39,181	131,527
	<u>          </u>	<u>          </u>

The provision reversal is based on a professional valuation of leasehold property.

**4. STAFF COSTS**

The costs incurred , including directors  
remuneration (note 6), were as follows:

	<u>2001</u> £	<u>2000</u> £
Wages and Salaries	1,297,134	1,778,726
Pension Costs	30,584	30,417
	<u>          </u>	<u>          </u>
	<u>1,327,718</u>	<u>1,809,143</u>

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

<u>52</u>	<u>76</u>
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The company operates a defined contribution pension scheme whose assets are held separately from those of the company in an administered fund.  
The pension costs represent contributions to that fund.

GREATER LONDON HIRE LIMITEDNOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 30TH APRIL 2001**5. TAXATION**

The tax charge on the profit on ordinary activities was as follows:

	<u>2001</u> £	<u>2000</u> £
Corporation Tax & Interest	2,118	(21,504)

No Corporation Tax is payable on profits for this year. The charge made relates to interest payable for past years not previously quantified.

**6. DIRECTORS' REMUNERATION**

	<u>2001</u> £	<u>2000</u> £
Directors' Emoluments	268,839	266,418
Company Contributions to Money Purchase Pension Schemes	12,614	12,628
	<u>281,453</u>	<u>279,046</u>
 Highest Paid Director	 £	 £
Chairman - Remuneration	169,446	176,276
- Pension Scheme Contributions	7,334	7,390
	<u>176,780</u>	<u>183,666</u>

**7. INTEREST PAYABLE**

	<u>2001</u> £	<u>2000</u> £
Hire Purchase Interest	9,996	10,005
Loan Interest	2,579	3,337
Bank Interest	19,581	19,778
	<u>32,156</u>	<u>33,120</u>

GREATER LONDON HIRE LIMITEDNOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 30TH APRIL 2001**8. TANGIBLE FIXED ASSETS**

	Motor Vehicles £	Plant & Equipment £	Property £	TOTAL £
<b>COST</b>				
At 1st May 2000	13,420	567,079	178,056	758,555
Additions in the year	101,703	30,385	-	132,088
Disposals in the year	-	(6,997)	-	(6,997)
At 30th April 2001	115,123	590,467	178,056	883,646
<b>DEPRECIATION</b>				
At 1st May 2000	3,355	273,056	51,561	327,972
Write Off On Disposal	-	(2,801)	-	(2,801)
Charge for the year	14,248	42,767	(32,738)	24,277
At 30th April 2001	17,603	313,022	18,823	349,448
<b>NET BOOK VALUE</b>				
At 30th April 2001	97,520	277,445	159,233	534,198
At 30th April 2000	10,065	294,023	126,495	430,583

Land & Buildings (Net Book Value ) comprise :	<b>2001</b>	<b>2000</b>
	£	£
Long Leasehold	149,009	115,000
Short leasehold	10,224	11,495
	159,233	126,495

The above analysis includes the following in respect of assets held under finance leases and hire purchase contracts:

	Motor Vehicles £	Plant & Equipment £	Total £
<b>Net Book Value:</b>			
30th April 2001	95,236	85,523	146,559
30th April 2000	10,065	103,086	113,151
<b>Depreciation:</b>			
Charge for 2001	13,835	21,563	35,398
Charge for 2000	3,355	20,949	24,304
<b>Accumulated to:</b>			
30th April 2001	17,190	62,233	79,423
30th April 2000	3,355	40,670	44,025

GREATER LONDON HIRE LIMITED

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 30TH APRIL 2001

9. CREDITORS: Amounts Falling  
Due within One Year

	<u>2001</u>	<u>2000</u>
	£	£
Bank Loans and Overdrafts (see below)	240,806	335,563
Trade Creditors	88,072	219,670
Other Creditors:		
Taxation	-	405
Social Security and Other Taxes	179,476	175,516
Hire Purchase Creditor	65,677	40,178
Other Creditors	10,381	208
Sundry Creditors and Accruals	119,300	34,702
	<u>703,712</u>	<u>806,242</u>
 Bank Overdraft	 240,806	 335,563
	<u>240,806</u>	<u>335,563</u>

The bank loan and overdraft are secured by a fixed and floating charge over the other assets and related undertakings of the company.

10. SHARE CAPITAL

	<u>2001</u>	<u>2000</u>
	£	£
Authorised: Ordinary £1 Shares	8000	8000
'A' Non-Voting Ordinary Shares	100	100
	<u>8100</u>	<u>8100</u>
 Allotted, Issued and Fully Paid		
8000 Ordinary £1 Shares	8,000	8,000
5 'A' Non-Voting Ordinary Shares	5	5
	<u>8,005</u>	<u>8,005</u>

11. RESERVES

	<u>Profit &amp; Loss A/C</u>
	£
At 1st May 2000	455,881
Retained Profit for the year	41,890
At 30th April 2001	<u>497,771</u>

GREATER LONDON HIRE LIMITED

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 30TH APRIL 2001

**12. DEBTORS**

	<u>2001</u>	<u>2000</u>
	£	£
Amounts due within one year:		
Trade Debtors	671,690	776,109
Amount Due from Subsidiary Company	31,777	20,575
Sundry Debtors and Prepayments	69,901	96,424
Taxation	-	21,504
	<u>773,368</u>	<u>914,612</u>

**13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<u>2001</u>	<u>2000</u>
	£	£
Profit/(loss) for the financial year	66,890	(25,522)
Dividends	25,000	32,400
	41,890	(57,922)
Opening shareholders' funds	463,888	521,810
Closing shareholders' funds	<u>505,776</u>	<u>463,888</u>

**14. CREDITORS: Amounts Falling Due After more than One Year**

	<u>2001</u>	<u>2000</u>
	£	£
Loan Account	-	10,000
Hire Purchase Creditor (2-5 years)	100,285	68,314
	<u>100,285</u>	<u>78,314</u>

GREATER LONDON HIRE LIMITEDNOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 30TH APRIL 200115. DIVIDENDS

	<u>2001</u>	<u>2000</u>
	£	£
Dividends Paid	25,000	32,400

16. FIXED ASSETS INVESTMENTS

	<u>2001</u>	<u>2000</u>
	£	£
Shares in Group Company	100	100

The company owns all the shares issued by Sloane Limited which was incorporated in England. It has not traded during the year and the aggregate amount of its Capital and Reserves as at 30th April 2001 was unchanged at £3090. Its profit for the year was Nil (2000- £2542 ). Under the provisions of S.248 of the Companies Act 1985 Greater London Hire Limited is exempt from preparing group accounts and is presenting its figures as an individual undertaking.



GREATER LONDON HIRE LIMITEDNOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 30TH APRIL 200117. NOTES TO THE CASH FLOW STATEMENTRECONCILIATION OF OPERATING PROFIT/(LOSS) TO OPERATING CASH FLOWS

	<u>2001</u>	<u>2000</u>
	£	£
Operating Profit/(Loss)	101,164	(13,906)
Depreciation	24,277	49,353
Provision Reversal	-	(51,681)
Loss on Sale of Fixed Assets	3,990	5,071
Decrease in Debtors	141,244	69,468
Decrease in Creditors	(42,867)	(21,816)
<b>Net Cash Inflow</b>		
From Operating Activities	<u>227,808</u>	<u>36,489</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	<u>2001</u>	<u>2000</u>
	£	£
Increase/(Decrease) in Cash in the year	93,715	(179,892)
Cash (Inflow)/Outflow from (Increase)/Decrease in Debt and Lease Financing	(57,470)	69,814
<b>Movement in Net Debt in year</b>	<u>36,245</u>	<u>(110,078)</u>
Net debt at 1st May 2000	(440,906)	(330,828)
<b>Net Debt at 30th April 2001</b>	<u>(404,661)</u>	<u>(440,906)</u>

ANALYSIS OF CHANGES IN NET DEBT

	<u>At Start of Year</u>	<u>Cash Flows</u>	<u>At End of Year</u>
	£	£	£
Cash at Bank and in Hand	3,149	(1,042)	2,107
Bank Overdrafts	(335,563)	94,757	(240,806)
	<u>(332,414)</u>	<u>93,715</u>	<u>(238,699)</u>
<b>Debt Due Within 1 Year</b>	<u>-</u>	<u>-</u>	<u>-</u>
Finance Leases	(108,492)	(57,470)	(165,962)
	<u>(108,492)</u>	<u>(57,470)</u>	<u>(165,962)</u>
	<u>(440,906)</u>	<u>36,245</u>	<u>(404,661)</u>