

GH Hose & Hydraulics Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 July 2019

Beresfords
Chartered Accountants
Castle House
Castle Hill Avenue
Folkestone
Kent
CT20 2TQ

GH Hose & Hydraulics Limited

Contents

Company Information	<u>1</u>
Balance Sheet	<u>2</u> to <u>3</u>
Notes to the Unaudited Financial Statements	<u>4</u> to <u>12</u>

GH Hose & Hydraulics Limited

Company Information

Director Mr G Lunt

Company secretary Mrs M Lunt

Registered office Unit 4 Scala Court
Leathley Road
Hunslet
Leeds
LS10 1BG

GH Hose & Hydraulics Limited

(Registration number: 04213107)

Balance Sheet as at 31 July 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	<u>3</u>	907	3,407
Tangible assets	<u>4</u>	50,562	63,321
		<u>51,469</u>	<u>66,728</u>
Current assets			
Stocks	<u>5</u>	57,600	64,350
Debtors	<u>6</u>	293,132	202,981
Cash at bank and in hand		33,051	179,535
		383,783	446,866
Creditors: Amounts falling due within one year	<u>7</u>	(338,319)	(302,376)
Net current assets		45,464	144,490
Total assets less current liabilities		96,933	211,218
Creditors: Amounts falling due after more than one year	<u>7</u>	(125,754)	(169,692)
Provisions for liabilities		(8,492)	(1,625)
Net (liabilities)/assets		<u>(37,313)</u>	<u>39,901</u>
Capital and reserves			
Called up share capital		1	1
Profit and loss account		(37,314)	39,900
Total equity		<u>(37,313)</u>	<u>39,901</u>

The notes on pages 4 to 12 form an integral part of these financial statements.

GH Hose & Hydraulics Limited
(Registration number: 04213107)
Balance Sheet as at 31 July 2019 (continued)

For the financial year ending 31 July 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the director on 4 December 2019

.....

Mr G Lunt

Director

The notes on pages 4 to 12 form an integral part of these financial statements.

GH Hose & Hydraulics Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2019

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Unit 4 Scala Court
Leathley Road
Hunslet
Leeds
LS10 1BG

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

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

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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 taxable income.

GH Hose & Hydraulics Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2019 (continued)

2 Accounting policies (continued)

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

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

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	10% straight line
Fixtures and fittings	10% straight line
Motor vehicles	3 years straight line
Office equipment	20% straight line

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	10 years straight line

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

GH Hose & Hydraulics Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2019 (continued)

2 Accounting policies (continued)

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

GH Hose & Hydraulics Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2019 (continued)

2 Accounting policies (continued)

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

GH Hose & Hydraulics Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2019 (continued)

3 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 August 2018	57,010	57,010
At 31 July 2019	57,010	57,010
Amortisation		
At 1 August 2018	53,603	53,603
Amortisation charge	2,500	2,500
At 31 July 2019	56,103	56,103
Carrying amount		
At 31 July 2019	907	907
At 31 July 2018	3,407	3,407

GH Hose & Hydraulics Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2019 (continued)

4 Tangible assets

	Fixtures and fittings £	Plant and machinery £	Office equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 August 2018	154,376	80,782	88,223	98,486	421,867
Additions	-	-	-	21,187	21,187
Disposals	-	-	-	(14,329)	(14,329)
At 31 July 2019	154,376	80,782	88,223	105,344	428,725
Depreciation					
At 1 August 2018	154,376	79,507	62,075	62,588	358,546
Charge for the year	-	545	606	32,795	33,946
Eliminated on disposal	-	-	-	(14,329)	(14,329)
At 31 July 2019	154,376	80,052	62,681	81,054	378,163
Carrying amount					
At 31 July 2019	-	730	25,542	24,290	50,562
At 31 July 2018	-	1,275	26,148	35,898	63,321

GH Hose & Hydraulics Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2019 (continued)

5 Stocks

	2019 £	2018 £
Raw materials and consumables	57,600	64,350

6 Debtors

	2019 £	2018 £
Trade debtors	212,273	196,106
Prepayments	34,215	6,875
Other debtors	46,644	-
	293,132	202,981

7 Creditors

Creditors: amounts falling due within one year

	Note	2019 £	2018 £
Due within one year			
Loans and borrowings	8	72,296	67,399
Trade creditors		185,261	153,256
Taxation and social security		21,238	37,379
Accruals and deferred income		59,524	34,063
Other creditors		-	10,279
		338,319	302,376

Creditors: amounts falling due after more than one year

	Note	2019 £	2018 £
Due after one year			
Loans and borrowings	8	125,754	169,692

GH Hose & Hydraulics Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2019 (continued)

8 Loans and borrowings

	2019 £	2018 £
Non-current loans and borrowings		
Bank borrowings	88,394	134,053
HP and finance lease liabilities	37,360	35,639
	<u>125,754</u>	<u>169,692</u>

	2019 £	2018 £
Current loans and borrowings		
Bank borrowings	52,823	52,824
Hire purchase liabilities	18,471	13,349
Directors current account	1,002	1,226
	<u>72,296</u>	<u>67,399</u>

9 Dividends

Interim dividends paid

	2019 £	2018 £
Interim dividend of £24,000 (2018 - £11,354) per each Ordinary shares	24,000	11,354
	<u>24,000</u>	<u>11,354</u>

10 Related party transactions

Directors' remuneration

The director's remuneration for the year was as follows:

	2019 £	2018 £
Remuneration	9,600	9,600
	<u>9,600</u>	<u>9,600</u>

GH Hose & Hydraulics Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2019 (continued)

10 Related party transactions (continued)

Loans from related parties

	Key management £	Total £
2019		
At start of period	1,227	1,227
Repaid	(225)	(225)
At end of period	1,002	1,002
2018		
At start of period	1,890	1,890
Repaid	(663)	(663)
At end of period	1,227	1,227

11 Parent and ultimate parent undertaking

The company's immediate parent is Joshdan Limited , incorporated in England.

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.