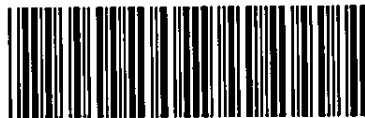


REGISTRAR OF COMPANIES

**Report of the Directors and
Financial Statements
for the Year Ended 31 July 2008
for
Hire One Limited**

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COMPANIES HOUSE

Hire One Limited

**Contents of the Financial Statements
for the Year Ended 31 July 2008**

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Hire One Limited
Company Information
for the Year Ended 31 July 2008

DIRECTORS: K J Latham
P J Mason

SECRETARY: P J Mason

REGISTERED OFFICE: Cardiff Road
Mwyndy Cross Industries
Llantrisant
Pontyclun
Rhondda Cynon Taff
CF72 8PN

REGISTERED NUMBER: 04277104 (England and Wales)

AUDITORS: Broomfield & Alexander Limited
Registered Auditors
Chartered Accountants
Pendragon House
Caxton Place
Pentwyn
Cardiff
CF23 8XE

Hire One Limited

Report of the Directors for the Year Ended 31 July 2008

The directors present their report with the financial statements of the company for the year ended 31 July 2008.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the hire of plant and machinery.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

We are pleased to report pre tax profits of £130,577 (3.5%) on a turnover of £4,362,597 (year to 31 July 2007 £129,745 and £3,713,897). The company operates as one of the larger independent plant hires in South Wales with outlets in Cardiff, Pontyclun, Newport, Swansea, Aberdare and Llandow.

The company continues to reinvest in new plant and equipment and has purchased £2.7 million of new equipment during the year. This investment has further increased our fleet and reduced long term maintenance costs. Capital investment of 62% of turnover is one of the highest in the plant/tool market and underpins our commitment to customers to provide the latest specification, fuel efficient and reliable equipment in the market.

The company remains in a financially strong position at the year end with net assets of £812,000 (2007: £832,000). Despite the difficult current trading conditions our outlook remains positive, sales have been maintained in the first quarter of the new financial year as we are not directly exposed to the house building sector. We are undertaking a review of all costs in the business with a view to anticipate any downturn in sales.

DIVIDENDS

Interim dividends per share were paid as follows:

£0.54	- 14 January 2008
£0.23	- 15 April 2008
<hr/>	
£0.77	
<hr/>	

The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 July 2008 will be £115,000.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 August 2007 to the date of this report.

K J Latham
P J Mason

Other changes in directors holding office are as follows:

I J Stevens - resigned 13 February 2008

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the year the company donated £1,430 (2007: £3,215) for charitable purposes.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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). The financial statements are required by law to 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 estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Hire One Limited

**Report of the Directors
for the Year Ended 31 July 2008**

STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued

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 statements 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Broomfield & Alexander Limited, will be proposed for re-appointment in accordance with the Companies Act 2006.

ON BEHALF OF THE BOARD:



.....
P J Mason - Secretary

Date:

6/11/08

**Report of the Independent Auditors to the Shareholders of
Hire One Limited**

We have audited the financial statements of Hire One Limited for the year ended 31 July 2008 on pages five to fifteen. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors' 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 auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on page two.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition, we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, 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 statements 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 statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 July 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Report of the Directors is consistent with the financial statements.

Broomfield & Alexander Limited

Broomfield & Alexander Limited
Registered Auditors
Chartered Accountants
Pendragon House
Caxton Place
Pentwyn
Cardiff
CF23 8XE

Date: *13 November 2008*

Hire One Limited

**Profit and Loss Account
for the Year Ended 31 July 2008**

	Notes	2008 £	2007 £
TURNOVER		4,362,597	3,713,897
Cost of sales		<u>3,127,875</u>	<u>2,485,741</u>
GROSS PROFIT		1,234,722	1,228,156
Administrative expenses		<u>879,556</u>	<u>940,090</u>
		355,166	288,066
Other operating income		<u>17,995</u>	<u>11,985</u>
OPERATING PROFIT	3	373,161	300,051
Interest payable and similar charges	4	<u>242,584</u>	<u>170,306</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		130,577	129,745
Tax on profit on ordinary activities	5	<u>35,550</u>	<u>27,242</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		<u>95,027</u>	<u>102,503</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year.

Hire One Limited

Balance Sheet
31 July 2008

	Notes	2008 £	£	2007 £	£
FIXED ASSETS					
Tangible assets	7		4,726,352		3,813,554
CURRENT ASSETS					
Stocks	8	48,906		52,443	
Debtors	9	841,466		944,723	
		890,372		997,166	
CREDITORS					
Amounts falling due within one year	10	2,357,875		2,122,790	
NET CURRENT LIABILITIES			(1,467,503)		(1,125,624)
TOTAL ASSETS LESS CURRENT LIABILITIES			3,258,849		2,687,930
CREDITORS					
Amounts falling due after more than one year	11		(2,364,405)		(1,777,819)
PROVISIONS FOR LIABILITIES	15		(82,044)		(77,738)
NET ASSETS			812,400		832,373
CAPITAL AND RESERVES					
Called up share capital	16		150,000		150,000
Profit and loss account	17		662,400		682,373
SHAREHOLDERS' FUNDS	22		812,400		832,373

The financial statements were approved by the Board of Directors on 6/11/2008 and were signed on its behalf by:


.....
Director

Hire One Limited

**Cash Flow Statement
for the Year Ended 31 July 2008**

		2008		2007	
	Notes	£	£	£	£
Net cash inflow from operating activities	1		1,522,155		1,094,200
Returns on investments and servicing of finance	2		(242,584)		(170,306)
Taxation			-		(2,256)
Capital expenditure	2		570,287		332,749
Equity dividends paid			(115,000)		-
			<u>1,734,858</u>		<u>1,254,387</u>
Financing	2		(1,683,888)		(1,190,198)
Increase in cash in the period			<u>50,970</u>		<u>64,189</u>

Reconciliation of net cash flow to movement in net debt

	3		
Increase in cash in the period		50,970	64,189
Cash outflow from decrease in debt and lease financing		<u>1,683,839</u>	<u>1,190,248</u>
Change in net debt resulting from cash flows		1,734,809	1,254,437
New finance leases		<u>(2,730,594)</u>	<u>(2,399,666)</u>
Movement in net debt in the period		(995,785)	(1,145,229)
Net debt at 1 August		<u>(2,850,291)</u>	<u>(1,705,062)</u>
Net debt at 31 July		<u>(3,846,076)</u>	<u>(2,850,291)</u>

The notes form part of these financial statements

Hire One Limited

**Notes to the Cash Flow Statement
for the Year Ended 31 July 2008**

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2008 £	2007 £
Operating profit	373,161	300,051
Depreciation charges	1,487,440	1,168,253
Profit on disposal of fixed assets	(239,882)	(258,060)
Decrease in stocks	3,537	10,366
Decrease/(Increase) in debtors	103,257	(277,606)
(Decrease)/Increase in creditors	(205,358)	151,196
Net cash inflow from operating activities	<u><u>1,522,155</u></u>	<u><u>1,094,200</u></u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2008 £	2007 £
Returns on investments and servicing of finance		
Interest paid	(48,327)	(58,304)
Interest element of hire purchase payments	(194,257)	(112,002)
Net cash outflow for returns on investments and servicing of finance	<u><u>(242,584)</u></u>	<u><u>(170,306)</u></u>
Capital expenditure		
Purchase of tangible fixed assets	(105,265)	(225,776)
Sale of tangible fixed assets	675,552	558,525
Net cash inflow for capital expenditure	<u><u>570,287</u></u>	<u><u>332,749</u></u>
Financing		
Loan repayments in year	(19,019)	(16,201)
Capital repayments in year	(1,664,869)	(1,173,997)
Net cash outflow from financing	<u><u>(1,683,888)</u></u>	<u><u>(1,190,198)</u></u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.8.07 £	Cash flow £	Other non-cash changes £	At 31.7.08 £
Net cash:				
Cash at bank and in hand	-	-		-
Bank overdraft	(146,917)	50,970		(95,947)
	<u>(146,917)</u>	<u>50,970</u>		<u>(95,947)</u>
Debt:				
Hire purchase	(2,520,036)	1,664,869	(2,730,594)	(3,585,761)
Debts falling due within one year	(15,360)	4,284	-	(11,076)
Debts falling due after one year	(167,978)	14,686	-	(153,292)
	<u>(2,703,374)</u>	<u>1,683,839</u>	<u>(2,730,594)</u>	<u>(3,750,129)</u>
Total	<u><u>(2,850,291)</u></u>	<u><u>1,734,809</u></u>	<u><u>(2,730,594)</u></u>	<u><u>(3,846,076)</u></u>

The notes form part of these financial statements

Hire One Limited

Notes to the Financial Statements for the Year Ended 31 July 2008

1. ACCOUNTING POLICIES

Accounting convention

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

Turnover

Turnover represents net invoiced sales of goods and services from ordinary activities, excluding value added tax.

Tangible fixed assets

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

Plant & machinery	- 25% - 50% on cost
Furniture & fittings	- 25% - 50% on cost
Motor vehicles	- 20% - 33% on cost
Office equipment	- 25% - 50% on cost

Stocks

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

Deferred tax

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

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

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a group personal pension scheme. Contributions payable for the period are charged in the profit and loss account.

2. STAFF COSTS

	2008	2007
	£	£
Wages and salaries	776,953	782,251
Social security costs	71,535	69,930
Other pension costs	6,261	7,987
	<u>854,749</u>	<u>860,168</u>

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

	2008	2007
Administration	4	6
Directors	2	3
Direct Staff	27	27
	<u>33</u>	<u>36</u>

Hire One Limited

Notes to the Financial Statements - continued for the Year Ended 31 July 2008

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2008 £	2007 £
Hire of plant and machinery	559,502	403,968
Depreciation - owned assets	447,535	613,836
Depreciation - assets on hire purchase contracts	1,039,905	554,417
Profit on disposal of fixed assets	(239,882)	(258,060)
Auditors' remuneration	5,000	6,000
	<u>108,526</u>	<u>152,295</u>
Directors' emoluments	(9,850)	45,000
Compensation to director for loss of office		

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>2</u>	<u>3</u>
------------------------	----------	----------

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2008 £	2007 £
Bank interest	3,810	3,255
Bank loan interest	8,896	11,378
Invoice discounting interest	28,857	29,998
Other Loan Interest	6,764	13,673
Hire purchase interest & charges	194,257	112,002
	<u>242,584</u>	<u>170,306</u>

5. TAXATION

Analysis of the tax charge

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

	2008 £	2007 £
Current tax:		
UK corporation tax	31,244	(10,770)
Overprovision in prior year	-	(29)
Total current tax	<u>31,244</u>	<u>(10,799)</u>
Deferred tax	4,306	38,041
Tax on profit on ordinary activities	<u>35,550</u>	<u>27,242</u>

Hire One Limited

Notes to the Financial Statements - continued
for the Year Ended 31 July 2008

5. TAXATION - continued

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2008 £	2007 £
Profit on ordinary activities before tax	<u>130,577</u>	<u>129,745</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2007 - 19%)	36,562	24,652
Effects of:		
Depreciation in excess of Capital Allowances	57,591	8,685
Expenses not deductible for tax purposes	10,687	4,924
Profit on disposal of fixed assets	(67,167)	(49,031)
Marginal Relief	(8,223)	-
Overprovision in prior year	-	(29)
Effect of change in tax rate	1,794	-
Current tax charge	<u>31,244</u>	<u>(10,799)</u>

6. DIVIDENDS

	2008 £	2007 £
Ordinary shares of £1 each Interim	<u>115,000</u>	<u>-</u>

7. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 August 2007	245,000	5,966,364	156,617	395,574	6,763,555
Additions	-	2,712,316	3,317	120,275	2,835,908
Disposals	-	(1,630,813)	(275)	(70,387)	(1,701,475)
At 31 July 2008	<u>245,000</u>	<u>7,047,867</u>	<u>159,659</u>	<u>445,462</u>	<u>7,897,988</u>
DEPRECIATION					
At 1 August 2007	-	2,563,365	97,972	288,664	2,950,001
Charge for year	-	1,399,855	19,141	68,444	1,487,440
Eliminated on disposal	-	(1,195,148)	(275)	(70,382)	(1,265,805)
At 31 July 2008	<u>-</u>	<u>2,768,072</u>	<u>116,838</u>	<u>286,726</u>	<u>3,171,636</u>
NET BOOK VALUE					
At 31 July 2008	<u>245,000</u>	<u>4,279,795</u>	<u>42,821</u>	<u>158,736</u>	<u>4,726,352</u>
At 31 July 2007	<u>245,000</u>	<u>3,402,999</u>	<u>58,645</u>	<u>106,910</u>	<u>3,813,554</u>

In the opinion of the directors the Freehold Land & buildings has not been depreciated as they consider them to be valued at the market rate.

Hire One Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 July 2008**

7. TANGIBLE FIXED ASSETS - continued

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

	Plant and machinery £	Motor vehicles £	Totals £
COST			
At 1 August 2007	3,663,734	211,861	3,875,595
Additions	2,704,976	120,270	2,825,246
Disposals	(762,983)	-	(762,983)
Transfer to ownership	(92,287)	(86,480)	(178,767)
At 31 July 2008	<u>5,513,440</u>	<u>245,651</u>	<u>5,759,091</u>
DEPRECIATION			
At 1 August 2007	854,742	108,570	963,312
Charge for year	998,020	41,885	1,039,905
Eliminated on disposal	(373,058)	-	(373,058)
Transfer to ownership	(70,775)	(80,459)	(151,234)
At 31 July 2008	<u>1,408,929</u>	<u>69,996</u>	<u>1,478,925</u>
NET BOOK VALUE			
At 31 July 2008	<u>4,104,511</u>	<u>175,655</u>	<u>4,280,166</u>
At 31 July 2007	<u>2,808,992</u>	<u>103,291</u>	<u>2,912,283</u>

8. STOCKS

	2008 £	2007 £
Stocks	<u>48,906</u>	<u>52,443</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008 £	2007 £
Trade debtors	761,455	811,034
Corporation tax	10,770	10,770
Amounts owed by group undertakings	8,813	-
Other debtors	30,818	45,999
Amounts due from parent company	14,688	60,211
Prepayments and accrued income	14,922	16,709
	<u>841,466</u>	<u>944,723</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008 £	2007 £
Bank loans and overdrafts (see note 12)	107,023	162,277
Hire purchase contracts (see note 13)	1,487,292	1,061,709
Trade creditors	239,951	414,311
Amounts owed to group undertakings	100,000	-
Corporation tax	31,244	-
Social security and other taxes	22,043	21,914
VAT	66,943	-
Invoice discounting funds advanced	226,074	272,678
Amounts due to parent company	-	90,661
Amounts due to connected company	52,723	33,122
Accruals and deferred income	24,582	66,118
	<u>2,357,875</u>	<u>2,122,790</u>

Hire One Limited

Notes to the Financial Statements - continued
for the Year Ended 31 July 2008

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

	2008 £	2007 £
Bank loans (see note 12)	153,292	167,978
Hire purchase contracts (see note 13)	2,098,469	1,458,327
Amount due to connected company	112,644	151,514
	<u>2,364,405</u>	<u>1,777,819</u>

The amount due to connected companies is repayable over 10 years from August 2005. The loan bears interest of 2% p.a above base rate. The loan is unsecured.

12. LOANS

An analysis of the maturity of loans is given below:

	2008 £	2007 £
Amounts falling due within one year or on demand:		
Bank overdrafts	95,947	146,917
Bank loans	11,076	15,360
	<u>107,023</u>	<u>162,277</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	13,386	17,182
Amounts falling due between two and five years:		
Bank loans - 2-5 years	54,402	62,475
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	85,504	88,321

13. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

	2008 £	Hire purchase contracts 2007 £
Net obligations repayable:		
Within one year	1,487,292	1,061,709
Between one and five years	2,098,469	1,458,327
	<u>3,585,761</u>	<u>2,520,036</u>

The following operating lease payments are committed to be paid within one year:

	Land and buildings		Other operating leases	
	2008 £	2007 £	2008 £	2007 £
Expiring:				
Between one and five years	29,798	29,798	3,964	3,126
In more than five years	65,000	45,000	-	-
	<u>94,798</u>	<u>74,798</u>	<u>3,964</u>	<u>3,126</u>

Hire One Limited

Notes to the Financial Statements - continued
for the Year Ended 31 July 2008

14. SECURED DEBTS

The following secured debts are included within creditors:

	2008 £	2007 £
Bank overdrafts	95,947	146,917
Bank loans	164,368	183,338
Hire purchase contracts	3,585,761	2,520,036
Invoice discounting	226,074	272,678
	<u>4,072,150</u>	<u>3,122,969</u>

Amounts owed on hire purchase agreements are secured against the assets to which they relate.

Amounts advanced on invoice discounting are secured by a debenture over all of the assets of the company.

The bank loan is secured by a first legal charge over the freehold land and buildings at Canal Road Aberdare and 183 Cardiff Road Newport.

The bank overdraft is secured by an unlimited debenture dated 16th October 2001 from Hire One Limited.

15. PROVISIONS FOR LIABILITIES

	2008 £	2007 £
Deferred tax	<u>82,044</u>	<u>77,738</u>
		Deferred tax £
Balance at 1 August 2007		77,738
The Origination and reversal of timing differences		4,306
Changes in tax rates		
Balance at 31 July 2008		<u>82,044</u>

16. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	2008 £	2007 £
250,000	Ordinary	£1	<u>250,000</u>	<u>250,000</u>
Alotted, issued and fully paid:				
Number:	Class:	Nominal value:	2008 £	2007 £
150,000	Ordinary	£1	<u>150,000</u>	<u>150,000</u>

17. RESERVES

	Profit and loss account £
At 1 August 2007	682,373
Profit for the year	95,027
Dividends	(115,000)
At 31 July 2008	<u>662,400</u>

Hire One Limited

Notes to the Financial Statements - continued for the Year Ended 31 July 2008

18. ULTIMATE PARENT COMPANY

The ultimate parent company is Lewis Civil Engineering Limited, formerly known as David Lewis Civil Engineering Limited, a company incorporated in the United Kingdom. The accounts for Lewis Civil Engineering Limited are available from Mwyndy Estate, Pontyclun, Rhondda Cynon Taff, CF72 8XY.

19. CAPITAL COMMITMENTS

	2008 £	2007 £
Contracted but not provided for in the financial statements	-	911,919

20. RELATED PARTY DISCLOSURES

During the year, the company made sales of £1,018,311 (2007: £593,292) to Lewis Civil Engineering Limited and was charged rent of £45,000 (2007: £45,000). During the year Hire One Limited made purchases £2,615 (2007: £nil) from Lewis Civil Engineering Limited. At the period end the balance due from Lewis Civil Engineering Limited was £14,688 (2007: £60,211)

During the period, the company charged £7,500 (2007: £7,500) to Knex Pipelines & Cables Limited for management charges, the company is related due to common shareholders. At the year end £8,813 was outstanding from Knex Pipelines & Cables Limited (2007: £nil).

During the year end the company was given a loan of £100,000 from Knex Pipelines & Cables Limited. The loan is interest free unsecured and has no set repayment terms.

The company was charged rent of £31,667 (2007: £20,000) from Jackson Properties Limited. Jackson Properties Limited is related due to common shareholders. At the year end £17,467 (2007:£nil) was due to Jackson Properties Limited.

At the year end the company owed Jackson Properties Limited £147,900 (2007: £184,636). This is a loan provided to Hire One Limited which is repayable over 7 years. The loan bears interest at 2% above the banks base rate and is unsecured.

21. ULTIMATE CONTROLLING PARTY

In the opinion of the directors the ultimate controlling party is Mrs J Lewis.

22. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2008 £	2007 £
Profit for the financial year	95,027	102,503
Dividends	(115,000)	-
Net (reduction)/addition to shareholders' funds	(19,973)	102,503
Opening shareholders' funds	832,373	729,870
Closing shareholders' funds	812,400	832,373