

Company Registration No. SC186455 (Scotland)

Gael Force Rentals Limited
Financial Statements
For the year ended 31 December 2020
Pages for filing with Registrar



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GAEL FORCE RENTALS LIMITED

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GAEL FORCE RENTALS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	3		1,836,003		1,932,239
Current assets					
Debtors	4	162,125		176,673	
Cash at bank and in hand		206,830		5,180	
		<u>368,955</u>		<u>181,853</u>	
Creditors: amounts falling due within one year	5	<u>(974,901)</u>		<u>(1,080,255)</u>	
Net current liabilities			<u>(605,946)</u>		<u>(898,402)</u>
Total assets less current liabilities			1,230,057		1,033,837
Creditors: amounts falling due after more than one year	6		(474,558)		(484,435)
Provisions for liabilities			<u>(156,828)</u>		<u>(118,853)</u>
Net assets			<u>598,671</u>		<u>430,549</u>
Capital and reserves					
Called up share capital	7		80		80
Share premium account			39,980		39,980
Capital redemption reserve			20		20
Profit and loss reserves			<u>558,591</u>		<u>390,469</u>
Total equity			<u>598,671</u>		<u>430,549</u>

GAEL FORCE RENTALS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2020

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

Although amounts due from and to group undertakings are treated as falling due within one year, the directors confirm that there is no intention that the group counterparty, all under common control, seek settlement within that period. The directors consider that adjustments should be made in respect of these values to obtain a fair view of the company's 'current' balance sheet ratios for third party purposes.

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

The financial statements were approved by the board of directors and authorised for issue on 30/09/21 and are signed on its behalf by:



S Graham

Director

Company Registration No. SC186455

GAEL FORCE RENTALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Company information

Gael Force Rentals Limited (SC186455) is a private company limited by shares incorporated in Scotland. The registered office is 136 Anderson Street, INVERNESS, IV3 8DH.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Gael Force Rentals Limited is a wholly owned subsidiary of Gael Force Group Limited and the results are included in the consolidated financial statements of Gael Force Group Holdings Limited which are publicly available.

1.2 Going concern

Whilst there is uncertainty and risk arising from Covid-19 the directors feel that the impact to the business in the short term is limited and does not pose a significant material threat to the business. The core aquaculture market has remained strong through the pandemic in 2020 and industry outlook remains positive on investment in growing capacity.

Therefore, the directors consider that the company is well placed to adapt to any future challenges, and will have adequate resources to continue in operation as a going concern for at least 12 months from the approval date of these financial statements. Consequently, the directors consider the going concern basis to remain appropriate.

1.3 Turnover

Turnover represents rental income receivable net of VAT and is recognised on an accruals basis.

1.4 Intangible fixed assets other than goodwill

Expenditure on development is capitalised as an intangible asset in the balance sheet where the expenditure is expected to lead to future identifiable sales revenue. The development costs have now been fully amortised.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Marine vessels	5% straight line
Plant and equipment	25% straight line or over life of leases to which they relate

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

GAEL FORCE RENTALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand and deposits held at call with banks.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

GAEL FORCE RENTALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in profit or loss except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Leases

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

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

GAEL FORCE RENTALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

2 Intangible fixed assets

	Development costs £
Cost	
At 1 January 2020 and 31 December 2020	208,529
Amortisation	
At 1 January 2020 and 31 December 2020	208,529
Carrying amount	
At 31 December 2020	-
At 31 December 2019	-

3 Tangible fixed assets

	Marine vessels £	Plant and machinery etc £	Total £
Cost			
At 1 January 2020	851,457	2,075,554	2,927,011
Additions	-	710,203	710,203
Disposals	-	(735,454)	(735,454)
At 31 December 2020	851,457	2,050,303	2,901,760
Depreciation and impairment			
At 1 January 2020	145,458	849,314	994,772
Depreciation charged in the year	42,573	480,127	522,700
Eliminated in respect of disposals	-	(451,715)	(451,715)
At 31 December 2020	188,031	877,726	1,065,757
Carrying amount			
At 31 December 2020	663,426	1,172,577	1,836,003
At 31 December 2019	705,999	1,226,240	1,932,239

4 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	145,637	142,111
Amounts owed by group undertakings	16,488	34,562
	162,125	176,673

GAEL FORCE RENTALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

5 Creditors: amounts falling due within one year

	2020 £	2019 £
Amounts owed to group undertakings	217,366	595,169
Corporation tax	18,723	34,695
Other taxation and social security	167,616	39,916
Other creditors	571,196	410,475
	<u>974,901</u>	<u>1,080,255</u>

Net obligations under hire purchase contracts amount to £352,049 (2019 - £255,734). These are secured over the assets to which the agreements relate.

6 Creditors: amounts falling due after more than one year

	2020 £	2019 £
Other creditors	<u>474,558</u>	<u>484,435</u>

Net obligations under hire purchase contracts amount to £474,558 (2019 - £484,435). These are secured over the assets to which the agreements relate.

7 Called up share capital

	2020 £	2019 £
Ordinary share capital Issued and fully paid		
80 Ordinary of £1 each	<u>80</u>	<u>80</u>

8 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Allison Dalton

The auditor was Johnston Carmichael LLP

9 Financial commitments, guarantees and contingent liabilities

There is a cross corporate guarantee in place between Gael Force Rentals Limited and other group companies.

GAEL FORCE RENTALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

10 Parent company

The immediate parent company of Gael Force Rentals Limited is Gael Force Group Limited.

The ultimate parent company is Gael Force Group Holdings Limited and the registered office is 136 Anderson Street, Inverness, IV3 8DH.