

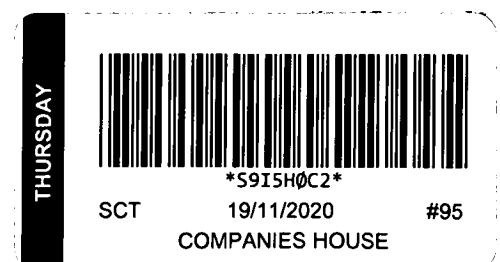
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**GAP Vehicle Hire Limited**

Annual report and financial  
statements

Registered number SC479413

31 March 2020



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## Strategic Report

The directors present their report and financial statements for the year ended 31 March 2020.

### Principal activity and business review

The principal activity of the company is that of a vehicle leasing company. The company's performance is outlined in the Director's report.

### Customers

The Company focuses on the quality of its overall service to customers with an account manager appointed to deliver to our Major Accounts.

### Health & Safety

The company's core values of safety, health and wellbeing are the cornerstone of who we are and what we stand for. The company has never changed its commitment to these values which include a personal and professional commitment to protect the safety and health of our employees, our customers, our suppliers, and the people of the communities in which we operate.

The company's risk framework provides staff and customers alike with complete reassurance and satisfaction in terms of our commitment to safety, quality and good governance. We continue to take great pride in proactively supporting our customers' safety initiatives and safety reputation, fully engaging in SHE related supply chain activities.

### Human Resources

Our most valuable asset is our people and we are committed to the professional and personal development of our workforce.

### Systems

We are continuing to significantly invest in our Information Technology Infrastructure and Systems. Our Digital Transformation programme is progressing to plan in line with our commitment to improving internal and external operational efficiencies.

### Funding

The assets of the company are funded through hire purchase arrangements and working capital through loan arrangements.

### Corporate Governance

The company defines corporate governance to include its management structure and supporting functions and systems which are implemented through an established framework of policies, procedures and processes that ensure effective business outcomes. Strategies to review and improve organisational effectiveness are also in place to ensure effective resource allocation and quality business and customer support services. Key challenges include attracting skilled staff, effectively equipping depot staff to deliver to company standards and regulatory compliance.

### Non-financial information

The main non-financial measures reviewed by the directors relate to the monitoring of utilisation and health and safety in the business.

By order of the board



**I M Anderson**  
Director

Carrick House, Carrick Street,  
Glasgow,  
G2 8JP

18 November 2020

## Directors' Report

The directors present their annual report and financial statements for the year ended 31<sup>st</sup> March 2020.

### Business review

The company reported a profit before tax for the year of £761,000 (2019: loss of £336,000). The directors do not recommend the payment of a dividend.

### Directors

The directors who held office during the period were as follows:

DG Anderson  
IM Anderson  
CAG Parr  
M Anderson

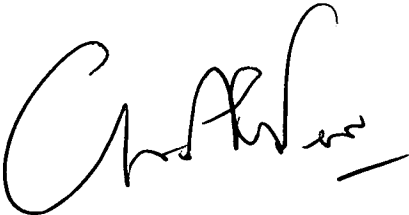
### Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### Auditor

KPMG LLP were appointed as auditor during the period. Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



**C A G Parr**  
*Secretary*

Carrick House, Carrick Street,  
Glasgow,  
G2 8JP

18 November 2020

## **Statement of directors' responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements**

The directors are responsible for preparing the Strategic Report, Directors' Report and 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the directors must not approve the financial statements unless they are satisfied that they 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;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company, cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## Independent auditor's report to the members of GAP Vehicle Hire Limited

### Opinion

We have audited the financial statements of GAP Vehicle Hire Limited ("the company") for the year ended 31 March 2020 which comprise the profit and loss account, the balance sheet, the statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

### Strategic and directors' report

The directors are responsible for the strategic and the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial period is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

## **Independent auditor's report to the members of GAP Vehicle Hire Limited** *(continued)*

### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

We have nothing to report in these respects.

### **Directors' responsibilities**

As explained more fully in their statement set out on page 2, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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.



**Lyn Nicolls (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
319 St Vincent Street, Glasgow, G2 5AS

18 November 2020

**Profit and Loss Account**  
*for the year ended 31 March 2020*

	<i>Note</i>	<b>12-month period to 31 March 2020 £000</b>	<b>18-month period to 31 March 2019 £000</b>
<b>Turnover</b>	<b>2</b>	<b>23,526</b>	<b>26,836</b>
Cost of sales		(17,947)	(21,449)
<b>Gross profit</b>		<b>5,579</b>	<b>5,387</b>
Administrative expenses	<b>3</b>	(3,195)	(3,792)
<b>Operating profit</b>		<b>2,384</b>	<b>1,595</b>
Interest charged		(1,623)	(1,931)
<b>(Loss)/Profit before taxation</b>		<b>761</b>	<b>(336)</b>
Tax (charge)/credit	<b>6</b>	(165)	55
<b>Profit/(Loss) and total comprehensive income for the financial year</b>		<b>596</b>	<b>(281)</b>

All activities in both 2019 and 2020 are continuing.

Notes on pages 10 to 18 form part of the financial statements



**Balance Sheet**  
*at 31 March 2020*

	<i>Note</i>	<b>2020</b> <b>£000</b>	<b>2019</b> <b>£000</b>
<b>Fixed assets</b>			
Property, plant and equipment	7	56,336	52,113
Investments	8	-	-
<b>Current assets</b>			
Debtors	9	4,905	5,940
Cash at bank and in hand		307	(552)
		<u>5,212</u>	<u>5,388</u>
<b>Creditors: amounts falling due within one year</b>	10	<u>(23,434)</u>	<u>(19,096)</u>
<b>Net current liabilities</b>		<u>(18,222)</u>	<u>(13,708)</u>
<b>Total assets less current liabilities</b>		<b>38,114</b>	<b>38,405</b>
<b>Creditors: amounts falling due after more than one year</b>	11	<b>(35,712)</b>	<b>(36,764)</b>
<b>Provisions for liabilities</b>			
Deferred tax liability	13	(279)	(114)
<b>Net assets</b>		<u><b>2,123</b></u>	<u><b>1,527</b></u>
<b>Capital and reserves</b>			
Share capital	15	1,000	1,000
Profit and loss account		1,123	527
<b>Shareholders' funds</b>		<u><b>2,123</b></u>	<u><b>1,527</b></u>

Notes on pages 10 to 18 form part of the financial statements

These financial statements were approved by the board of directors on 18 November 2020 and were signed on its behalf by:



**IM Anderson**  
*Director*

Company registered number: Registered number SC479413

## Statement of Changes in Equity

	<b>Called up share capital £000</b>	<b>Profit and loss account £000</b>	<b>Total equity £000</b>
<b>Restated balance at 1 October 2017</b>	1,000	808	1,808
<b>Total comprehensive income for the 18 months</b>			
Loss for the period	-	(281)	(281)
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 March 2019</b>	<b>1,000</b>	<b>527</b>	<b>1,527</b>
	<hr/>	<hr/>	<hr/>

	<b>Called up share capital £000</b>	<b>Profit and loss account £000</b>	<b>Total Equity £000</b>
<b>Balance at 1 April 2019</b>	1,000	527	1,527
<b>Total comprehensive income for the year</b>			
Profit for the year	-	596	596
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 March 2020</b>	<b>1,000</b>	<b>1,123</b>	<b>2,123</b>
	<hr/>	<hr/>	<hr/>

## Cash Flow Statement

for the year ended 31 March 2020

	Note	2020 £000	18-month period to 31 March 2019 £000
<b>Cash flows from operating activities</b>			
Profit for the period		596	(281)
Adjustments for:			
Depreciation		11,065	12,515
Interest payable		1,623	1,931
(Gain) on sale of assets		(217)	(419)
Tax (credit)/charge		165	(55)
		<b>13,232</b>	<b>13,691</b>
Decrease/(Increase) in trade and other debtors		1,236	(3,407)
(Decrease) in trade and other creditors		(180)	(158)
		<b>1,056</b>	<b>(3,565)</b>
<b>Net cash from operating activities</b>		<b>14,288</b>	<b>10,126</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of assets		5,523	5,028
Acquisition of tangible fixed assets	7	(20,594)	(39,715)
<b>Net cash absorbed by investing activities</b>		<b>(15,071)</b>	<b>(34,687)</b>
<b>Cash flows from financing activities</b>			
Proceeds from related party loans		1,300	2,000
Proceeds from Directors loans		-	500
Capital elements of finance lease payments		1,965	22,299
Interest paid		(1,623)	(1,931)
<b>Net cash from financing activities</b>		<b>1,642</b>	<b>22,868</b>
Net increase/(decrease) in cash and cash equivalents		859	(1,693)
Cash and cash equivalents at start of year		(552)	1,141
<b>Cash and cash equivalents at end of year</b>		<b>307</b>	<b>(552)</b>

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

GAP Vehicle Hire Limited is a company incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The amendments to FRS 102 issued in July 2015 have been applied. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The accounting policies set out below have, been applied consistently to all periods presented in these financial statements. The financial statements are prepared on the historical cost basis.

#### 1.1 Going concern

The financial statements have been prepared on a going concern basis, which the Directors consider to be appropriate for the following reasons.

In light of the COVID-19 pandemic, post year end, the Board took several measures to proactively manage the availability of working capital. This included the negotiation of payment holidays with the hire purchase facility lenders.

Management has produced forecasts to November 2021 from the signing date of these financial statements to reflect various plausible scenarios as a result of COVID-19 and its impact on the business. These forecasts have been reviewed by the Board of Directors. Whilst the situation continues to evolve, not least with the four-week lockdown that was introduced in England on 5 November, we have seen the vehicle rental sector re-open for business across the UK and our customers have returned to work.

In the severe but plausible downside scenario which takes account of further restrictions in Scotland and the rest of the UK, there is a forecast decrease in hire revenue in line with what was experienced during the lockdown period in 2020. The forecasts include certain mitigating actions which are in the control of the Directors. The most significant of these is a reduction and delay in the replacement of the fleet. The current age of the vehicle fleet means that this is possible without a significant impact on the company's ability to service our customers. The focus is very much on driving the improved utilisation with the existing fleet. Additionally, the forecasts do not include the company's use of any government's job retention scheme.

Our forecasts indicate that even in the severe but plausible downside scenario the company will have sufficient funds through its related party facility from GAP Group Limited, which is repayable on demand. The forecasts are dependent on GAP Group Limited not seeking repayment of the amounts currently due to them. As with any company placing reliance on related parties for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

#### 1.2 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

Leases in which the Company assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. All other leases are classified as operating leases. Leased assets acquired by way of finance lease are stated on initial recognition at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, including any incremental costs directly attributable to negotiating and arranging the lease. At initial recognition a finance lease liability is recognised equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments. The present value of the minimum lease payments is calculated using the interest rate implicit in the lease. Lease payments are accounted for as described at 1.6 below.

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.2 Tangible fixed assets (continued)

The company assesses at each reporting date whether tangible fixed assets (including those leased under a finance lease) are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated. The estimated useful lives are as follows:

- Plant and equipment 4 years
- Vehicles 7 years

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

#### 1.3 Employee benefits

##### *Defined contribution plans and other long-term employee benefits*

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

#### 1.4 Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

#### 1.5 Turnover

Turnover represents amounts invoiced net of discounts in relation to the hire of vehicles (excluding value added tax).

#### 1.6 Expenses

##### *Operating lease*

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

##### *Finance lease*

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability using the rate implicit in the lease. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents are charged as expenses in the periods in which they are incurred.

##### *Interest receivable and Interest payable*

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method.

Other interest receivable and similar income include interest receivable on funds invested.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method.

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.7 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

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.

### 2 Turnover

	12-month period to 31 March 2020	18-month period to 31 March 2019
	£000	£000
Rental income	21,320	24,681
Other income	2,206	2,155
	<hr/>	<hr/>
Total turnover	<u>23,526</u>	<u>26,836</u>

## Notes (continued)

### 3 Administrative expenses and auditor's remuneration

Included in profit are the following:

	12-month period to 31 March 2020	18-month period to 31 March 2019
	£000	£000
Depreciation of plant and equipment	130	116
Fleet depreciation	10,935	12,399
(Gain) on disposal of tangible fixed assets	(217)	(419)
	<u>          </u>	<u>          </u>

Auditor's remuneration:

	12-month period to 31 March 2020	18-month period to 31 March 2019
	£000	£000
Audit of these financial statements	23	20
Taxation compliance services	3	3
	<u>          </u>	<u>          </u>

### 4 Staff numbers and costs

The average number of persons employed by the Company (including directors) during the period, analysed by category, was as follows:

	Number of employees	
	12-month period to 31 March 2020	18-month period to 31 March 2019
Administration	4	5
Directors	4	4
Others	70	39
	<u>          </u>	<u>          </u>
	78	48
	<u>          </u>	<u>          </u>

The aggregate payroll costs of these persons were as follows:

	12-month period to 31 March 2020	18-month period to 31 March 2019
	£000	£000
Wages and salaries	2,053	2,166
Social security costs	166	195
Contributions to defined contribution plans	55	42
	<u>          </u>	<u>          </u>
	2,274	2,403
	<u>          </u>	<u>          </u>

### 5 Directors' remuneration

The directors received no remuneration from this company. GAP Vehicle Hire Limited pays a management charge to GAP Group Limited, a related party, which includes a fee for directors (see note 16).

## Notes (continued)

### 6 Taxation

#### Total tax expense recognised in the profit and loss account, other comprehensive income and equity

	12-month period to 31 March 2020 £000	18-month period to 31 March 2019 £000
<i>Current tax</i>		
Current tax on income for the period	-	-
Total current tax	-	-
<i>Deferred tax (see note 13)</i>		
Adjustment in respect of prior periods	1	-
Effect of tax rate change of opening balance	14	-
Origination and reversal of timing differences	150	(55)
Total deferred tax	165	(55)
Total tax charge/(credit)	165	(55)

	2020 Current tax £000	2020 Deferred tax £000	2020 Total tax £000	2019 Current tax £000	2019 Deferred tax £000	2019 Total tax £000
Recognised in Profit and loss account	-	165	165	-	(55)	(55)
Total tax	-	165	165	-	(55)	(55)

#### Reconciliation of effective tax rate

	12-month period to 31 March 2020 £000	18-month period to 31 March 2019 £000
Profit/(loss) for the period	596	(281)
Total tax expense/(credit)	165	(55)
Profit/(loss) excluding taxation	761	(336)
Tax using the UK corporation tax rate of 19% (2019: 19%)	145	(64)
Accelerated capital allowances and other timing differences	19	6
Permanent disallowable	1	3
Total tax expense/(credit) included in profit or loss	165	(55)

A UK corporation rate of 19% (effective from 1 April 2020) was substantively enacted on 17 March 2020, reversing the previously enacted reduction in the rate from 19% to 17%. This will increase the company's future current tax charge accordingly. The deferred tax liability has been calculated at 19% (2019: 17%).



## Notes (continued)

### 7 Tangible fixed assets

	Financed vehicles £000	Plant and equipment £000	Total £000
<b>Cost</b>			
Balance at 1 April 2019	66,215	347	66,562
Additions	20,225	369	20,594
Disposals	(9,282)	-	(9,282)
Balance at 31 March 2020	77,158	716	77,874
<b>Depreciation and impairment</b>			
Balance at 1 April 2019	14,303	146	14,449
Depreciation charge for the period	10,935	130	11,065
Disposals	(3,976)	-	(3,976)
Balance at 31 March 2020	21,262	276	21,538
<b>Net book value</b>			
At 1 April 2019	51,912	201	52,113
At 31 March 2020	55,896	440	56,336

### 8 Fixed asset Investments

	Shares in group undertakings £
<b>Cost</b>	
At beginning of the year	1
Additions in the year	-
At end of year	1

The undertakings in which the Group's and Company's interest at the year-end is more than 20% are as follows.

	Country of incorporation	Registered number	Principal activity	Percentage of ordinary shares held
<b>Subsidiary undertakings</b>				
GAP Hire Limited	Scotland <sup>1</sup>	SC620184	Dormant	100%

<sup>1</sup> Registered office address Carrick House, 40 Carrick Street, Glasgow G2 8DA

GAP Vehicle Hire Limited made an investment in GAP Hire Limited on 31<sup>st</sup> March 2019 for a consideration of £1, with an amount of £1 being due to the subsidiary undertaking as at 31<sup>st</sup> March 2019.

## Notes (continued)

### 9 Debtors

	2020 £000	2019 £000
Trade debtors	3,968	5,270
Other debtors	108	107
Prepayments and accrued income	629	563
Amounts due from related parties	200	-
	<u>4,905</u>	<u>5,940</u>

### 10 Creditors: amounts falling due within one year

	2020 £000	2019 £000
Trade creditors	2,153	1,174
Other creditors	147	477
Amounts due to related parties	3,500	2,000
Amounts due to Directors	500	500
Tax and social security	174	1,002
Obligations under finance leases	16,960	13,943
	<u>23,434</u>	<u>19,096</u>

### 11 Creditors: amounts falling after more than one year

	2020 £000	2019 £000
Obligations under finance leases	35,712	36,764
	<u></u>	<u></u>

## Notes (continued)

### 12 Other interest-bearing loans and borrowings

#### Finance lease liabilities

Finance lease liabilities are payable as follows:

	Minimum lease payments	Minimum lease payments
	2020 £000	2019 £000
Less than one year	16,960	13,943
Between one and five years	35,712	36,764
	<u>52,672</u>	<u>50,707</u>

### 13 Deferred tax assets and liabilities

	Assets 2020 £000	Assets 2019 £000	Liabilities 2020 £000	Liabilities 2019 £000	Net 2020 £000	Net 2019 £000
Accelerated capital allowances	-	-	(282)	(122)	(282)	(122)
Other timing differences	3	8	-	-	3	8
<b>Net tax (liability)</b>	<u>3</u>	<u>8</u>	<u>(282)</u>	<u>(122)</u>	<u>(279)</u>	<u>(114)</u>

### 14 Employee benefits

#### Defined contribution plans

The company operates a defined contribution pension plan. The total expense for the year to 31 March 2020 was £55,000 (2019: £42,000).

### 15 Share capital

	2020 £000	2019 £000
<i>Allotted, called up and fully paid</i>		
1,000,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

## Notes (continued)

### 16 Ultimate ownership and related party transactions

The company is controlled by the directors, DG Anderson and IM Anderson, who also control GAP Group Limited, GAP Group Properties and A&A Properties. No other financial statements include the results of the company. Sales from the company to GAP Group amount to £1,875,000 for the year (*18 months to 31 March 2019: £1,710,000*) and administrative costs recharged by GAP Group totalled £138,000 (*18 months to 31 March 2019: £97,500*). Rental paid to GAP Group Properties totalled £60,000 (*18 months to 31 March 2019: £68,500*) and A&A Properties £150,000 (*18 months to 31 March 2019: £165,000*).

The net balance receivable from GAP Group at the year-end is £381,168 (*2019: £425,571*) and there is a loan balance payable to GAP Group Ltd of £3,500,000 (*2019: £2,000,000*). In addition to this there is a loan balance payable from A&A Properties of £200,000 (*2019: nil*).

There are loan amounts due to shareholders of £250,000 each as at year-end (*2019: £250,000*).

### 17 Accounting estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions in applying the accounting policies that affect the reported amounts of assets and liabilities, income and expense. The estimates and associated assumptions are based on historical experience and 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. Actual results may differ from these estimates.

The judgements, estimates and 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. The following accounting policies and judgements are limited to those items that would be most likely to produce materially different results were the underlying judgements, estimates and assumptions changed:

#### *Financed vehicles*

In relation to the Group's financed vehicles (note 7), useful economic lives and residual values of assets have been established using historical experience and assessment of the nature of the assets involved. Both useful economic lives and residual values are reviewed on a regular basis.

### 18 Post balance sheet events

There have been no significant post balance sheet events.