

Company Registration No. 01192825 (England and Wales)

LIMESQUARE HOLDINGS LIMITED
GROUP ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020



LIMESQUARE HOLDINGS LIMITED

COMPANY INFORMATION

Directors Mr W T Webb
Mrs J.L.C.M Webb

Secretary Mr W T Webb

Company number 01192825

Registered office P O Box 208
Old Avenue
WEYBRIDGE
Surrey
KT13 0TU

Auditor Kinnaird Hill
Montagu House
81 High Street
Huntingdon
Cambs
PE29 3NY

Business address Oxbridge House
Unit 2 Downside
Guildford Street
Chertsey
Surrey
KT16 9DS

LIMESQUARE HOLDINGS LIMITED

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LIMESQUARE HOLDINGS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2020

The directors present the strategic report for the year ended 31 March 2020.

Fair review of the business

Vehicle rental turnover remains in line with budget; an increase of 9.9%. Gross margin decreased from 39% to 35% whilst administration costs decreased by 12%. External property rental income increased by 3.4% during the year.

Funding lines remain constant to Limesquare Vehicle Rental provided by third party finance companies and Limesquare Vehicle Rental continues to have sufficient non used lines of credit and leasing facilities at it's disposal for the current year end business plan. All of the funding to Limesquare Vehicle Rental is on variable rate agreements over a three year term with the option to terminate such agreements without penalty. The year saw a few of our larger competitors either go into administration or be acquired by other competitors however pressure on rental rates remain as competitors continue to chase business offering non sustainable rates compared to our own rental rates in the market place.

No property investments were made during the year and the board continues to watch events from the sidelines awaiting any opportunity that may arise.

The used vehicle market has again weakened coupled with manufacturer's, increasing new vehicle acquisition costs to a level that now negates new purchases at this time.

The residual value forecast for vehicles continues to be very volatile with uncertainty on future demand.

LIMESQUARE HOLDINGS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Principal risks and uncertainties

The principle risks and uncertainties faced by the business and the controls and mitigating factors in place are as follows:

Market Conditions

The Vehicle Rental market competition appear to be seeking business at any cost and margins are under severe pressure. Fleet acquisition costs during the year under review continued to increase at rates well in excess of inflation as did fleet maintenance costs, however fleet residual values stabilized a little. Currently, Covid has impacted on all areas of the business and turnover and margins are down across the board. Following the introduction of lockdown in March 2020, the group took steps to protect itself. Following that first lockdown there is now a lack of new vehicle supply with lead times many months distant, however this has put upward pressure on residual values which the group continues to maximise as opportunities present themselves. Once the current uncertainty subsides the group is well placed to take any advantage of any opportunities as they arise.

Contractual and Operational Risks

Most of our business is conducted on customer own insurance but with various forms of Insurance now available on the internet it is becoming extremely difficult to police this aspect as we are not party to how the customer answers questions posed to them on the portal prior to being issued with an Insurance certificate; if they have answered incorrectly their cover may be invalid should an accident occur we are then reliant on the financial standing of that customer. Pre-paid Credit Cards are now appearing in vast numbers and Credit card payment is by far the largest method of payment by our non-account customers should damage occur to the vehicle then it may result in us having to issue legal proceeding to recoup any loss we have suffered should the card have no credit left on it. Failure by any of our customers to carry out the daily checks required on vehicles could result in any of numerous problems that could occur; vehicles are handed over and signed for but we will not be in a position to check the vehicle until it checks back in with us on completion of the hire as routine maintenance and tyre changes are carried out by third party agents on our behalf. Credit account risk is monitored on a constant basis but unlike normal trading activities where supply can be cut if payment is not made our customers will still have hold of our assets which we would then need to locate and collect to control our further debt exposure.

Covid has had a severe impact on all areas of the business and we have seen customer failures coupled with bad debts. Requests for financial support and extended payment terms from some of our customers has also had an impact. As opportunities arise we will de-fleet our used stock and settle associated finance lines and purchase new fleet. We aim to keep utilisation in the range 88-90%. Due to manufacturer price increases and reduction in manufacturer support terms the current balance between vehicle acquisition cost and the market price point for the hire charge of a new vehicle is incompatible and we are hopeful this will change shortly as supply and demand once again balance out.

Interest Rate Risk

All of the companies funding is on variable rate agreements so this aspect could be volatile although over recent years we have had a stability in this area. That said with such stability comes further pressure on rental rates as competitors take advantage of the cheap funding currently on offer to reduce their own rental rates. Since the year end the group has taken steps to fund all acquisitions within the group and all third party funding has been repaid; the net debt is currently Nil.

Liquidity Risk

The group manages liquidity risk by maintaining adequate cash reserves, banking and financing facilities monitoring cash flows within the bounds of its contractual obligations. The directors are confident that the group has more than enough cash reserves to weather any storm that may arise in the next financial year.

Key performance indicators

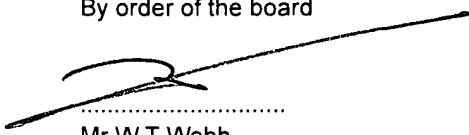
	2020	2019
Gross profit percentage	35%	39%
Net profit percentage	23%	25%

LIMESQUARE HOLDINGS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

By order of the board



.....
Mr W T Webb

Secretary

26/2/21

LIMESQUARE HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2020

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

Principal activities

The principal activity of the company and group continued to be that of property management and vehicle hire.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr W T Webb

Mrs J.L.C.M Webb

Results and dividends

The results for the year are set out on page 9.

Ordinary dividends were paid amounting to £68,250. The directors do not recommend payment of a further dividend.

Financial instruments

The group has chosen in accordance with Companies Act 2006, s.414C(11) to set out in the group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch 7 to be contained in the director's report. It has done so in respect of 'financial instruments - financial risk management' and 'future developments'.

Auditor

In accordance with the company's articles, a resolution proposing that Kinnaird Hill be reappointed as auditor of the group will be put at a General Meeting.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual 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 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). 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 group and company, and of the profit or loss of the group 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 accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LIMESQUARE HOLDINGS LIMITED

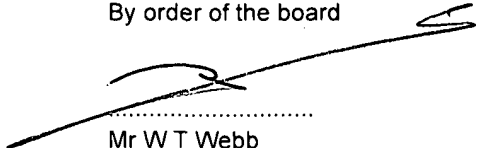
DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

By order of the board



.....
Mr W T Webb

Secretary

Date: 26/2/21

LIMESQUARE HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LIMESQUARE HOLDINGS LIMITED

Opinion

We have audited the financial statements of Limesquare Holdings Ltd (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2020 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2020 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

LIMESQUARE HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF LIMESQUARE HOLDINGS LIMITED

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the parent 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

LIMESQUARE HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF LIMESQUARE HOLDINGS LIMITED

Use of our report

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 him 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.



Nita Hutchcraft FCCA (Senior Statutory Auditor)
For and on behalf of Kinnaird Hill

.....5/3/2021.....

Chartered Certified Accountants
Statutory Auditor

Montagu House
81 High Street
Huntingdon
Cambs
PE29 3NY

LIMESQUARE HOLDINGS LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 £	2019 £
Turnover	3	11,199,135	10,228,712
Cost of sales		(7,291,905)	(6,279,604)
Gross profit		3,907,230	3,949,108
Administrative expenses		(2,423,059)	(2,744,558)
Other operating income		343,811	339,946
Operating profit	4	1,827,982	1,544,496
Interest receivable and similar income	8	55,210	25,729
Interest payable and similar expenses	9	(327,269)	(195,973)
Amounts written off investments	10	961,863	1,133,368
Profit before taxation		2,517,786	2,507,620
Tax on profit	11	(484,747)	(487,187)
Profit for the financial year	23	2,033,039	2,020,433

Profit for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

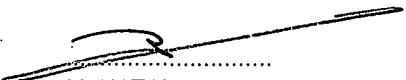
LIMESQUARE HOLDINGS LIMITED

GROUP BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	13		28,084,665		27,682,184
Current assets					
Debtors	16	4,593,985		4,843,645	
Cash at bank and in hand		3,027,955		3,059,039	
		7,621,940		7,902,684	
Creditors: amounts falling due within one year	17	(7,396,056)		(9,010,783)	
Net current assets/(liabilities)			225,884		(1,108,099)
Total assets less current liabilities			28,310,549		26,574,085
Creditors: amounts falling due after more than one year	18		(4,880,489)		(5,182,804)
Provisions for liabilities					
Deferred tax liability	20	1,211,746		1,137,756	
			(1,211,746)		(1,137,756)
Net assets			22,218,314		20,253,525
Capital and reserves					
Called up share capital	22		10,500		10,500
Profit and loss reserves	23		22,207,814		20,243,025
Total equity			22,218,314		20,253,525

The financial statements were approved by the board of directors and authorised for issue on 26/2/21 and are signed on its behalf by:


Mr W T Webb
Director

LIMESQUARE HOLDINGS LIMITED

COMPANY BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	13	158,922		161,591	
Investments	14	1,296,188		1,296,188	
		<u>1,455,110</u>		<u>1,457,779</u>	
Current assets					
Debtors	16	7,385,744		6,106,161	
Cash at bank and in hand		11,878		586,945	
		<u>7,397,622</u>		<u>6,693,106</u>	
Creditors: amounts falling due within one year	17	(178,639)		(655,806)	
Net current assets		<u>7,218,983</u>		<u>6,037,300</u>	
Total assets less current liabilities		<u>8,674,093</u>		<u>7,495,079</u>	
Capital and reserves					
Called up share capital	22	10,500		10,500	
Profit and loss reserves	23	8,663,593		7,484,579	
Total equity		<u>8,674,093</u>		<u>7,495,079</u>	

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £1,247,264 (2019 - £797,285 profit).

The financial statements were approved by the board of directors and authorised for issue on 26/2/21 and are signed on its behalf by:


Mr W T Webb
Director

Company Registration No. 01192825

LIMESQUARE HOLDINGS LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 April 2018		10,500	18,722,592	18,733,092
Year ended 31 March 2019:				
Profit and total comprehensive income for the year		-	2,020,433	2,020,433
Dividends	12	-	(500,000)	(500,000)
Balance at 31 March 2019		10,500	20,243,025	20,253,525
Year ended 31 March 2020:				
Profit and total comprehensive income for the year		-	2,033,039	2,033,039
Dividends	12	-	(68,250)	(68,250)
Balance at 31 March 2020		10,500	22,207,814	22,218,314

LIMESQUARE HOLDINGS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 April 2018		10,500	7,187,294	7,197,794
Year ended 31 March 2019:				
Profit and total comprehensive income for the year		-	797,285	797,285
Dividends	12	-	(500,000)	(500,000)
Balance at 31 March 2019		10,500	7,484,579	7,495,079
Year ended 31 March 2020:				
Profit and total comprehensive income for the year		-	1,247,264	1,247,264
Dividends	12	-	(68,250)	(68,250)
Balance at 31 March 2020		10,500	8,663,593	8,674,093

LIMESQUARE HOLDINGS LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from operations	27	5,157,058		5,199,228	
Interest paid		(327,269)		(195,973)	
Income taxes paid		(589,709)		(598,501)	
Net cash inflow from operating activities		4,240,080		4,404,754	
Investing activities					
Purchase of tangible fixed assets		(10,322,230)		(9,403,005)	
Proceeds on disposal of tangible fixed assets		11,589,810		12,779,152	
Interest received		55,210		25,729	
Net cash generated from investing activities		1,322,790		3,401,876	
Financing activities					
New financing and repayment of finance leases obligations		(5,525,704)		(5,429,044)	
Dividends paid to equity shareholders		(68,250)		(500,000)	
Net cash used in financing activities		(5,593,954)		(5,929,044)	
Net (decrease)/increase in cash and cash equivalents		(31,084)		1,877,586	
Cash and cash equivalents at beginning of year		3,059,039		1,181,453	
Cash and cash equivalents at end of year		3,027,955		3,059,039	

LIMESQUARE HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Company information

Limesquare Holdings Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is P O Box 208, Old Avenue, Weybridge, Surrey, KT13 0TU. The business address is Oxbridge House, Unit 2 Downside, Guildford Street, Chertsey, KT16 9DS.

The group consists of Limesquare Holdings Limited and all of its subsidiaries.

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.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

1.2 Business combinations

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

LIMESQUARE HOLDINGS LIMITED

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

1 Accounting policies

(Continued)

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Limesquare Holdings Ltd together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates. Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 March 2020. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

1.4 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The directors have considered the impact of the COVID-19 pandemic, and the various measures taken to contain it, on the operations of the company. No material concerns in relation to the company's long-term future have been identified but this area continues to be monitored. The directors are satisfied that the steps they have taken in the short term are appropriate and effective.

1.5 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

1.6 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values (also see note 2) over their useful lives on the following bases:

Freehold land and buildings	2% reducing balance
Plant and equipment	20% to 25% on cost
Fixtures and fittings	20% to 33% on cost
Computers	20% to 33% on cost
Motor vehicles	20% on cost

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 recognised in the profit and loss account.

LIMESQUARE HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.7 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.8 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible 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). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

LIMESQUARE HOLDINGS LIMITED

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

1 Accounting policies

(Continued)

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The group 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 group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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 unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, 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. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

LIMESQUARE HOLDINGS LIMITED

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

1 Accounting policies

(Continued)

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 group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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 group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

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

1.11 Equity instruments

Equity instruments issued by the group 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 group.

1.12 Taxation

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

LIMESQUARE HOLDINGS LIMITED

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

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account 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 group'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 the profit and loss account, 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 if, and only if, there is 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.

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.15 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 profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

1.16 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

LIMESQUARE HOLDINGS LIMITED

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

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Residual value of vehicles held as assets

Motor vehicles are written off over period of five years which is the expected useful life as described in accounting policy note 1.6. No residual value is placed on the vehicles due to the uncertain nature of the amounts recoverable.

3 Turnover and other revenue

	2020 £	2019 £
Turnover analysed by class of business		
Property	686,928	664,133
Vehicle hire	10,512,207	9,564,579
	<u>11,199,135</u>	<u>10,228,712</u>
	2020 £	2019 £
Other significant revenue		
Interest income	<u>55,210</u>	<u>25,729</u>

4 Operating profit

	2020 £	2019 £
Operating profit for the year is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	4,032,747	1,663,556
Depreciation of tangible fixed assets held under finance leases	2,381,230	3,703,226
Profit on disposal of tangible fixed assets	<u>(1,266,687)</u>	<u>(997,321)</u>

LIMESQUARE HOLDINGS LIMITED

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

5 Auditor's remuneration

	2020	2019
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	-	-
Audit of the financial statements of the company's subsidiaries	32,000	31,000

6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2020 Number	2019 Number	Company 2020 Number	2019 Number
Senior management	6	6	2	2
Management	9	9	-	-
Operations	44	45	-	-
Sales	4	2	-	-
General administration	6	5	-	-
Total	69	67	2	2

Their aggregate remuneration comprised:

	Group 2020 £	2019 £	Company 2020 £	2019 £
Wages and salaries	1,470,647	1,412,076	-	-
Social security costs	134,410	128,313	-	-
Pension costs	51,853	41,880	-	-
	1,656,910	1,582,269	-	-

7 Directors' remuneration

	2020 £	2019 £
Remuneration for qualifying services	40,000	40,000
Company pension contributions to defined contribution schemes	25,484	-
	65,484	40,000

LIMESQUARE HOLDINGS LIMITED

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

8 Interest receivable and similar income

	2020	2019
	£	£
Interest income		
Other interest income	55,210	25,729

9 Interest payable and similar expenses

	2020	2019
	£	£
Interest on bank overdrafts and loans	35	30
Interest on finance leases and hire purchase contracts	321,942	195,943
Other interest	5,292	-
Total finance costs	327,269	195,973

10 Amounts written off investments

	2020	2019
	£	£
Gain on disposal of financial assets held at cost	961,863	1,133,368

11 Taxation

	2020	2019
	£	£
Current tax		
UK corporation tax on profits for the current period	410,757	332,077
Deferred tax		
Origination and reversal of timing differences	73,990	155,110
Total tax charge	484,747	487,187

LIMESQUARE HOLDINGS LIMITED

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

11 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2020 £	2019 £
Profit before taxation	2,517,786	2,507,620
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	478,379	476,448
Tax effect of expenses that are not deductible in determining taxable profit	2,400	1,649
Change in unrecognised deferred tax assets	2,424	(2,831)
Depreciation on assets not qualifying for tax allowances	10,943	11,921
Other permanent differences	(9,399)	-
Taxation charge	484,747	487,187

12 Dividends

	2020 £	2019 £
Recognised as distributions to equity holders:		
Final paid	68,250	500,000

LIMESQUARE HOLDINGS LIMITED

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

13 Tangible fixed assets

Group	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost						
At 1 April 2019	5,014,598	50,069	616,072	35,736	31,136,157	36,852,632
Additions	-	14,900	5,316	-	16,157,502	16,177,718
Disposals	(366,753)	(11,947)	(139,986)	-	(15,002,037)	(15,520,723)
At 31 March 2020	4,647,845	53,022	481,402	35,736	32,291,622	37,509,627
Depreciation and impairment						
At 1 April 2019	286,346	42,538	591,631	35,736	8,214,197	9,170,448
Depreciation charged in the year	57,595	2,649	11,021	-	6,342,712	6,413,977
Eliminated in respect of disposals	(16,827)	(11,947)	(139,986)	-	(5,990,703)	(6,159,463)
At 31 March 2020	327,114	33,240	462,666	35,736	8,566,206	9,424,962
Carrying amount						
At 31 March 2020	4,320,731	19,782	18,736	-	23,725,416	28,084,665
At 31 March 2019	4,728,252	7,531	24,441	-	22,921,960	27,682,184

Company	Freehold land and buildings £	Computers £	Total £
Cost			
At 1 April 2019 and 31 March 2020	203,450	35,736	239,186
Depreciation and impairment			
At 1 April 2019	41,859	35,736	77,595
Depreciation charged in the year	2,669	-	2,669
At 31 March 2020	44,528	35,736	80,264
Carrying amount			
At 31 March 2020	158,922	-	158,922
At 31 March 2019	161,591	-	161,591

LIMESQUARE HOLDINGS LIMITED

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

13 Tangible fixed assets

(Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	Group 2020 £	2019 £	Company 2020 £	2019 £
Motor vehicles	11,159,242	11,358,259	-	-

14 Fixed asset investments

	Notes	Group 2020 £	2019 £	Company 2020 £	2019 £
Investments in subsidiaries	15	-	-	1,296,188	1,296,188

Movements in fixed asset investments

Company	Shares in group undertakings £
Cost or valuation	
At 1 April 2019 and 31 March 2020	1,296,188
Carrying amount	
At 31 March 2020	1,296,188
At 31 March 2019	1,296,188

15 Subsidiaries

Details of the company's subsidiaries at 31 March 2020 are as follows:

Name of undertaking	Address	Nature of business	Class of shares held	% Held Direct
Limesquare Business Parks Limited	England & Wales	Property Management	Ordinary	100.00
Limesquare Finance Limited	England & Wales	Vehicle Hire	Ordinary	100.00
Limesquare Properties Limited	England & Wales	Dormant	Ordinary	100.00
Limesquare Vehicle Rental Limited	England & Wales	Vehicle Hire	Ordinary	100.00

LIMESQUARE HOLDINGS LIMITED

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

15 Subsidiaries

(Continued)

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Capital and Reserves £	Profit/(Loss) £
Limesquare Business Parks Limited	6,894,507	768,343
Limesquare Finance Limited	4,817,219	716,718
Limesquare Properties Limited	480	-
Limesquare Vehicle Rental Limited	3,128,203	550,714

The registered office addresses of Limesquare Business Parks Limited and Limesquare Finance Limited are the same as the parent company. The registered office address of Limesquare Vehicle Rental Limited and Limesquare Properties Limited is Limesquare House, Downside, Guildford Street, Chertsey, Surrey KT16 9DS.

16 Debtors

	Group 2020 £	2019 £	Company 2020 £	2019 £
Amounts falling due within one year:				
Trade debtors	1,282,342	1,704,329	-	-
Amounts owed by group undertakings	-	-	7,385,744	6,106,161
Other debtors	2,396,703	2,080,269	-	-
Prepayments and accrued income	331,598	445,587	-	-
	<u>4,010,643</u>	<u>4,230,185</u>	<u>7,385,744</u>	<u>6,106,161</u>
Amounts falling due after more than one year:				
Other debtors	<u>583,342</u>	<u>613,460</u>	<u>-</u>	<u>-</u>
Total debtors	<u>4,593,985</u>	<u>4,843,645</u>	<u>7,385,744</u>	<u>6,106,161</u>

LIMESQUARE HOLDINGS LIMITED

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

17 Creditors: amounts falling due within one year

	Notes	Group 2020 £	2019 £	Company 2020 £	2019 £
Obligations under finance leases	19	5,768,232	5,136,133	-	-
Trade creditors		327,379	1,696,873	-	-
Amounts owed to group undertakings		-	-	482	1,869
Corporation tax payable		97,011	275,963	-	-
Other taxation and social security		611,977	545,261	-	-
Other creditors		342,730	1,195,002	178,157	653,937
Accruals and deferred income		248,727	161,551	-	-
		<u>7,396,056</u>	<u>9,010,783</u>	<u>178,639</u>	<u>655,806</u>

18 Creditors: amounts falling due after more than one year

	Notes	Group 2020 £	2019 £	Company 2020 £	2019 £
Obligations under finance leases	19	<u>4,880,489</u>	<u>5,182,804</u>	<u>-</u>	<u>-</u>

19 Finance lease obligations

	Group 2020 £	2019 £	Company 2020 £	2019 £
Future minimum lease payments due under finance leases:				
Within one year	5,768,232	5,136,133	-	-
In two to five years	4,880,489	5,182,804	-	-
	<u>10,648,721</u>	<u>10,318,937</u>	<u>-</u>	<u>-</u>

Finance lease payments represent rentals payable by the company or group for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 36 months. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments. Lease obligations are secured on the assets concerned.

LIMESQUARE HOLDINGS LIMITED

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

20 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Liabilities 2020 £	Liabilities 2019 £
Group		
Accelerated capital allowances	1,211,746	1,137,756

The company has no deferred tax assets or liabilities.

	Group 2020 £	Company 2020 £
Movements in the year:		
Liability at 1 April 2019	1,137,756	-
Charge to profit or loss	73,990	-
Liability at 31 March 2020	1,211,746	-

The deferred tax asset set out above is expected to reverse within 12 months and relates to accelerated capital allowances. The deferred tax liability set out above is expected to reverse in the next 36 months and relates to accelerated capital allowances.

21 Retirement benefit schemes

	2020 £	2019 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	51,853	41,880

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

22 Share capital

	2020 Number	2019 Number	2020 £	2019 £
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	10,500	10,500	10,500	10,500

LIMESQUARE HOLDINGS LIMITED

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

23 Profit and loss reserves

	Group 2020 £	2019 £	Company 2020 £	2019 £
At the beginning of the year	20,243,025	18,722,592	7,484,579	7,187,294
Profit for the year	2,033,039	2,020,433	1,247,264	797,285
Dividends	(68,250)	(500,000)	(68,250)	(500,000)
At the end of the year	<u>22,207,814</u>	<u>20,243,025</u>	<u>8,663,593</u>	<u>7,484,579</u>

24 Related party transactions

Transactions with related parties

During the year the group entered into the following transactions with related parties:

	Interest received		Rents paid	
	2020 £	2019 £	2020 £	2019 £
Group				
Entities over which the entity has control, joint control or significant influence	-	-	83,000	83,000
Other related parties	<u>8,266</u>	<u>8,269</u>	<u>25,200</u>	<u>25,200</u>

The following amounts were outstanding at the reporting end date:

Amounts due from related parties	2020 Balance £	2019 Balance £
Group		
Entities with joint control	1,031,427	1,013,921
Other related parties	<u>344,534</u>	<u>495,113</u>

LIMESQUARE HOLDINGS LIMITED

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

25 Directors' transactions

Dividends totalling £68,250 (2019 - £500,000) were paid in the year in respect of shares held by the company's directors.

Group:

A loan of £1,000,000 was made to the director during the year. Interest has been charge at 3% per annum and an amount of £28,115 is included in the financial statements. The loan is secured on a property owned by the director and an amount of £200,000 has been repaid since the balance sheet date. An amount of £222,611 was also advanced to the director during the year. Interest at the rate of 2.5% has been charged on the loan and an amount of £855 is included in the accounts. The advance has been fully repaid since the balance sheet date.

Included in other creditors is a balance of £111,569 (2019 £737,350) which is owed to the directors. The balance is repayable on demand and is interest free. It is included within creditors: amounts falling due within one year.

Company:

Included in other creditors is a balance of £111,569 (2019 £587,350) which is owed to the directors. The balance is repayable on demand and is interest free. It is included within creditors: amounts falling due within one year.

26 Controlling party

The ultimate controlling party is Mr W T Webb by virtue of his majority shareholding.

27 Cash generated from group operations

	2020 £	2019 £
Profit for the year after tax	2,033,039	2,020,433
Adjustments for:		
Taxation charged	484,747	487,187
Finance costs	327,269	195,973
Investment income	(55,210)	(25,729)
Gain on disposal of tangible fixed assets	(1,266,687)	(997,321)
Depreciation and impairment of tangible fixed assets	6,413,977	5,366,782
Amounts written off investments	(961,863)	(1,133,368)
Movements in working capital:		
Decrease/(increase) in debtors	249,660	(1,000,549)
(Decrease)/increase in creditors	(2,067,874)	285,820
Cash generated from operations	5,157,058	5,199,228

LIMESQUARE HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

28 Analysis of changes in net debt - group

	1 April 2019	Cash flows	New finance leases	31 March 2020
	£	£	£	£
Cash at bank and in hand	3,059,039	(31,084)	-	3,027,955
Obligations under finance leases	(10,318,937)	5,525,704	(5,855,488)	(10,648,721)
	<u>(7,259,898)</u>	<u>5,494,620</u>	<u>(5,855,488)</u>	<u>(7,620,766)</u>