

Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 31 March 2023
for
Hamilton Rentals Limited

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for the Year Ended 31 March 2023

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Hamilton Rentals Limited

Company Information
for the Year Ended 31 March 2023

DIRECTORS:

Mrs M K Gill
M O'Connor
N W Petheram

REGISTERED OFFICE:

New Hampshire Court
St Paul's Road
Southsea
Hampshire
PO5 4AQ

REGISTERED NUMBER:

01041096 (England and Wales)

AUDITORS:

JWR Audit Limited
Statutory Auditor
24 Picton House
Hussar Court
Waterlooville
Hampshire
PO7 7SQ

Strategic Report
for the Year Ended 31 March 2023

The directors present their strategic report for the year ended 31 March 2023.

REVIEW OF BUSINESS

The company reports an operating profit of £5,275,189 (2022: Operating profit of £454,200). This profit included a on-off intercompany adjustment of £6,210,150, therefore underlying operating loss was £934,961. The company was significantly impacted by the economy and impact on interest rates. This resulted in a slow-down in our rental volumes and the events and hospitality business are only slowly picking up post Covid.

Within the year the directors did a review of the business performance to assess losses, going concern and future cash flow projections. These actions included overhead reduction, refreshing and resizing the rental fleet, reviewing all external and non-people costs. Our customer base remains solid, and we are extremely confident that the rental business remains strong and well-placed to get back to profitability. Rental enquiry numbers are increasing which is a key indicator that rental revenues will follow.

The company continues to invest heavily in rental products spending over £3.4M in new assets over the period. This has resulted in a healthy, current, and relevant rental fleet in line with market demand.

The company has continued to receive support from its ultimate parent company, Bell Microsystems Limited and will continue to realise economies of scale and a reduction in the cost of finance.

The directors have reviewed their forecasts for this year and believe the company is able to meet the continuing challenge of the economy. They also confirm the company can meet its liabilities as they fall due. The prospects for the future of the business remain encouraging.

PRINCIPAL RISKS AND UNCERTAINTIES

Cash flow risk

The company recognises a small exposure to foreign currency exchange rate movements and any exposure is taken against profit and loss account.

Credit risk

The company also recognises a credit risk primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. The company is not dependant on one single customer.

Liquidity risk

The company has written confirmation of the continued support from the parent company, Bell Microsystems Limited. The directors consider that the parent company has sufficient resources to support the Company for a period of at least 12 months from the date of signing these accounts.

Strategic Report
for the Year Ended 31 March 2023

KEY PERFORMANCE INDICATORS

The key performance indicators used by the company when monitoring performance are:

- rental revenues
- rental stock utilisation
- gross margins on sale of kit

Revenue

The company measures rental revenue performance against prior periods with a view to achieving an increase of at least 5% per annum. During the current year, the rental turnover decreased by 20% on the prior year. Turnover was impacted due the current economic climate and the knock-on effect of Covid pandemic, which is still impacting the revenue we would ordinarily expect from the events sector.

Rental stock utilisation

Rental stock utilisation is the proportion of time that assets spend on rent at customers. The company targets utilisation of at least 60%. In the period, the company achieved an average utilisation of 51.4% (2022: 62.3%). The numbers are below target of the rental fleet - the directors continue to monitor this and are pushing asset sales to reduce the fleet and improve utilisation.

Gross margin

The company aims to make a profit on the sale on ex-rental assets at the point that they are sold. This is an important check on the carrying values of the rental assets. The margin on the sale of ex-rental assets in the period was 4% (2022: 2%) which indicates the carrying values remain good.

ON BEHALF OF THE BOARD:

Mrs M K Gill - Director

8 December 2023

Report of the Directors
for the Year Ended 31 March 2023

The directors present their report with the financial statements of the company for the year ended 31 March 2023.

PRINCIPAL ACTIVITIES

The principal activities of the company in the year under review were those of Rental of Information Technology (IT) and Audio Visual (AV) equipment to end users either directly or in conjunction with a business partner.

Management of major IT manufacturers' equipment loan pools and seed equipment on a fee for service basis.

Asset management services; both sales of used assets and the appropriate disposal of non-saleable assets in accordance with WEEE legislation on a fee for service basis.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2023.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2022 to the date of this report.

Mrs M K Gill
M O'Connor
N W Petheram

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 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 accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Report of the Directors
for the Year Ended 31 March 2023

AUDITORS

The auditors, JWR Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

Mrs M K Gill - Director

8 December 2023

Report of the Independent Auditors to the Members of
Hamilton Rentals Limited

Opinion

We have audited the financial statements of Hamilton Rentals Limited (the 'company') for the year ended 31 March 2023 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity 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 Financial Reporting Standard 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 company's affairs as at 31 March 2023 and of its 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 Auditors' 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of
Hamilton Rentals Limited

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

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, 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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, 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 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 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.

Auditors' 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 a Report of the Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations.

We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

Procedures performed by the audit team included:

- Discussions with management regarding known or suspected instances of non-compliance with laws and regulations;
- Evaluation of controls designed to prevent and detect irregularities; and
- Assessing journals entries as part of our planned audit approach.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

As in all of our audits we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Report of the Independent Auditors to the Members of
Hamilton Rentals 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 them in a Report of the Auditors 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.

Katie Wood (Senior Statutory Auditor)
for and on behalf of JWR Audit Limited
Statutory Auditor
24 Picton House
Hussar Court
Waterlooville
Hampshire
PO7 7SQ

12 December 2023

Income Statement
for the Year Ended 31 March 2023

	Notes	31.3.23 £	31.3.22 £
TURNOVER	3	9,038,410	10,360,038
Cost of sales		<u>6,192,054</u>	<u>6,207,161</u>
GROSS PROFIT		2,846,356	4,152,877
Administrative expenses		<u>(1,758,833)</u>	<u>3,874,642</u>
		4,605,189	278,235
Other operating income		<u>670,000</u>	<u>175,965</u>
OPERATING PROFIT	5	5,275,189	454,200
Interest receivable and similar income		<u>-</u>	<u>148</u>
		5,275,189	454,348
Interest payable and similar expenses	6	<u>365,546</u>	<u>312,888</u>
PROFIT BEFORE TAXATION		4,909,643	141,460
Tax on profit	7	<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR		<u>4,909,643</u>	<u>141,460</u>

The notes form part of these financial statements

Other Comprehensive Income
for the Year Ended 31 March 2023

	31.3.23	31.3.22
Notes	£	£
PROFIT FOR THE YEAR	4,909,643	141,460
OTHER COMPREHENSIVE INCOME	-	-
TOTAL COMPREHENSIVE INCOME	-	-
FOR THE YEAR	<u>4,909,643</u>	<u>141,460</u>

Balance Sheet
31 March 2023

	Notes	31.3.23 £	£	31.3.22 £	£
FIXED ASSETS					
Tangible assets	8		5,052,016		5,385,966
CURRENT ASSETS					
Debtors	9	2,175,404		2,973,998	
Cash at bank and in hand		<u>118,189</u>		<u>193,074</u>	
		2,293,593		3,167,072	
CREDITORS					
Amounts falling due within one year	10	<u>11,922,405</u>		<u>18,510,289</u>	
NET CURRENT LIABILITIES			<u>(9,628,812)</u>		<u>(15,343,217)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			(4,576,796)		(9,957,251)
CREDITORS					
Amounts falling due after more than one year	11		<u>836,957</u>		<u>366,145</u>
NET LIABILITIES			<u>(5,413,753)</u>		<u>(10,323,396)</u>
CAPITAL AND RESERVES					
Called up share capital	14		2,438,700		2,438,700
Retained earnings	15		<u>(7,852,453)</u>		<u>(12,762,096)</u>
SHAREHOLDERS' FUNDS			<u>(5,413,753)</u>		<u>(10,323,396)</u>

The financial statements were approved by the Board of Directors and authorised for issue on 8 December 2023 and were signed on its behalf by:

Mrs M K Gill - Director

Statement of Changes in Equity
for the Year Ended 31 March 2023

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2021	2,438,700	(12,903,556)	(10,464,856)
Changes in equity			
Total comprehensive income	-	141,460	141,460
Balance at 31 March 2022	2,438,700	(12,762,096)	(10,323,396)
Changes in equity			
Total comprehensive income	-	4,909,643	4,909,643
Balance at 31 March 2023	2,438,700	(7,852,453)	(5,413,753)

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 March 2023

1. **STATUTORY INFORMATION**

Hamilton Rentals Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

The financial statements have been prepared on a going concern basis. Having prepared and reviewed detailed financial projections, the directors believe this to be appropriate as they believe that the company has access to sufficient working capital in order to meet the financial obligations of the company as they fall due.

In reaching their conclusion, the directors have considered the current economic environment and the continued support from the company's ultimate parent company. The rental fleet remains of sufficient value to create additional working capital should this be required by the business.

The ultimate parent company, Bell Microsystems Limited, has confirmed it is able and intends to continue to support the company and its immediate parent to ensure that it can meet its liabilities as they fall due, for a period of at least one year from the signing of these financial statements.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c).

Significant judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key areas of judgement and estimation affecting these financial statements are as follows:

Fixed assets

Management are required to estimate the expected Useful Economic Life of rental and other assets. The depreciation policies described are considered a reasonably accurate estimate based on historical analysis of residual values on disposals.

Debtor recoverability

The company is reliant on cash collection from its trade debtor book and the continued support of its ultimate parent company in order to continue to meet its day to day operational needs. Management use judgement in determining the recoverability of both intercompany and trade debts and calculate bad debt provision by analysing each receivable on a case by case basis.

Deferred taxation

A deferred tax asset is recognised in respect of tax losses brought forward. Management use judgement and estimates in preparing the forecasts which justify the recognition of an asset on the basis that taxable profits will be made to offset this in future periods.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

2. **ACCOUNTING POLICIES - continued**

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Revenue from equipment sales is recognised on delivery of the equipment.

Revenue from equipment rental, software support and hardware maintenance is recognised over the term of the agreement on a straight line basis. Any unrecognised revenue element is shown separately in the balance sheet notes as deferred income. For certain rental equipment arrangements, the company received a discount against the purchase of products from the suppliers of this rental equipment. For these arrangements, revenue is equal to the discount received by the company which is recognised over the term of the rental agreement.

Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line method.

The estimated useful lives range as follows:

Fixtures and fittings	- 10% - 50% straight line
Rental equipment	- Software: 12 months, Other: 36-48 months straight line

The assets residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amounts and are recognised in the Profit and Loss account.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

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

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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. **ACCOUNTING POLICIES - continued**

Foreign currencies

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds to the associated capital instrument.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Going concern

The financial statements have been prepared on the going concern basis as the directors have prepared detailed budgets for a period of at least 12 months from the date of signing the accounts which show that the Group is expected to be able to meet all its liabilities as they fall due.

The directors have produced a detailed going concern assessment for the group. The conclusion of the directors' assessment for Hamilton Rentals Limited is that the business will be able to meet all its liabilities as they fall due. The directors have prepared forecasts for 2024 which show an improved profit and loss position and cash generation.

Based on the trading results achieved post year end, the finance facilities in place and available to the company and the forecasts for 2024 the directors conclude that the company will be able to trade for a period of at least 12 months from the approval of the financial statements and have therefore concluded that it is appropriate for the financial statements to be prepared on the going concern basis

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

3. TURNOVER

The turnover and profit before taxation are attributable to the principal activities of the company.

An analysis of turnover by class of business is given below:

	31.3.23	31.3.22
	£	£
Rental income	6,801,118	7,955,494
Sale of goods	2,237,292	2,404,544
	<u>9,038,410</u>	<u>10,360,038</u>

An analysis of turnover by geographical market is given below:

	31.3.23	31.3.22
	£	£
United Kingdom	8,856,506	10,129,374
Europe	160,845	204,302
Rest of the world	21,059	26,362
	<u>9,038,410</u>	<u>10,360,038</u>

4. EMPLOYEES AND DIRECTORS

	31.3.23	31.3.22
	£	£
Wages and salaries	3,018,066	2,921,115
Social security costs	272,470	322,374
Other pension costs	61,369	65,132
	<u>3,351,905</u>	<u>3,308,621</u>

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

	31.3.23	31.3.22
Administrative	22	12
Sales	14	22
Logistics	<u>21</u>	<u>23</u>
	<u>57</u>	<u>57</u>

During the period retirement benefits were accruing to 1 director (2022: 1) in respect of defined contribution pension schemes.

The highest paid directors received remuneration of £304,812 (2022: £343,912).

The value of the company's contributions paid to a defined contribution scheme in respect of the highest paid director amounted to £22,500 (2022: £21,600).

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

5. **OPERATING PROFIT**

The operating profit is stated after charging:

	31.3.23	31.3.22
	£	£
Depreciation - owned assets	1,528,753	1,471,771
Auditors' remuneration	31,100	27,500
Foreign exchange differences	2,398	4,242
Defined contribution plans expense	<u>61,369</u>	<u>65,132</u>

6. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	31.3.23	31.3.22
	£	£
Other interest payable	365,176	312,888
Hire purchase	370	-
	<u>365,546</u>	<u>312,888</u>

7. **TAXATION**

Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Reconciliation of total tax charge included in profit and loss

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

	31.3.23	31.3.22
	£	£
Profit before tax	<u>4,909,643</u>	<u>141,460</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2022 - 19%)	932,832	26,877
Effects of:		
Expenses not deductible for tax purposes	7,033	1,064
Capital allowances in excess of depreciation fixed assets utilised	(309,986)	(164,223)
Research and development	-	(33,433)
Losses carried forward	-	169,715
Utilisation of losses b/fwd	<u>(629,879)</u>	<u>-</u>
Total tax charge	<u>-</u>	<u>-</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

8. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Totals £
COST			
At 1 April 2022	9,377,961	76,638	9,454,599
Additions	3,385,168	1,994	3,387,162
Disposals	(3,500,035)	-	(3,500,035)
At 31 March 2023	<u>9,263,094</u>	<u>78,632</u>	<u>9,341,726</u>
DEPRECIATION			
At 1 April 2022	4,019,314	49,319	4,068,633
Charge for year	1,518,447	10,306	1,528,753
Eliminated on disposal	(1,307,676)	-	(1,307,676)
At 31 March 2023	<u>4,230,085</u>	<u>59,625</u>	<u>4,289,710</u>
NET BOOK VALUE			
At 31 March 2023	<u>5,033,009</u>	<u>19,007</u>	<u>5,052,016</u>
At 31 March 2022	<u>5,358,647</u>	<u>27,319</u>	<u>5,385,966</u>

The rental fleet included within equipment represents assets held for use in finance leases with gross amount £9,263,094 (2022: £9,377,961) and accumulated depreciation £4,230,085 (2022: £3,911,059).

The cost of the assets held on hire purchase are £1,982,580 (2022: £2,774,082) with accumulated depreciation of £1,039,574 (2022: £948,726).

9. DEBTORS

	31.3.23 £	31.3.22 £
Amounts falling due within one year:		
Trade debtors	995,297	1,292,116
Amounts owed by group undertakings	-	366,612
Other debtors	22,963	108,761
Prepayments	<u>407,144</u>	<u>456,509</u>
	<u>1,425,404</u>	<u>2,223,998</u>
Amounts falling due after more than one year:		
Deferred tax asset		
Tax losses carried forward	<u>750,000</u>	<u>750,000</u>
	<u>750,000</u>	<u>750,000</u>
Aggregate amounts	<u>2,175,404</u>	<u>2,973,998</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

9. DEBTORS - continued

Included within trade debtors are balances totalling £nil (2022: £nil) subject to a charge in respect of an invoice financing facility held by the immediate parent company, Hamilton Management (London) Limited. The amount borrowed against this facility is £nil (2022: £5,592) included within other creditors in the parent company's financial statements.

The deferred taxation balance totalling £750,000 (2022: £750,000) is considered to be due in more than 1 year in accordance with the timing of expected future profits.

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23	31.3.22
	£	£
Other loans (see note 12)	1,818,848	1,390,559
Hire purchase contracts (see note 13)	469,615	1,208,786
Trade creditors	390,359	414,896
Amounts owed to group undertakings	8,254,938	14,642,903
Social security and other taxes	253,397	267,404
Other creditors	8,155	21,601
Accruals and deferred income	712,744	564,140
Pension fund	14,349	-
	<u>11,922,405</u>	<u>18,510,289</u>

Included within other loans is £1,148,725 (2022: £789,670) secured by a fixed and floating charge over all assets of the company.

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

	31.3.23	31.3.22
	£	£
Other loans (see note 12)	750,010	-
Hire purchase contracts (see note 13)	<u>86,947</u>	<u>366,145</u>
	<u>836,957</u>	<u>366,145</u>

12. LOANS

An analysis of the maturity of loans is given below:

	31.3.23	31.3.22
	£	£
Amounts falling due within one year or on demand:		
Other loans	<u>1,818,848</u>	<u>1,390,559</u>
Amounts falling due in more than five years:		
Repayable otherwise than by instalments		
Other loans more 5yrs non-inst	<u>750,010</u>	<u>-</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

13. **LEASING AGREEMENTS**

As lessor

The total future minimum lease payments receivable under non-cancellable operating leases are as follows:

	31 March 2023 £	31 March 2022 £
Not later than 1 year	394,189	345,650
After 1 year	87,806	130,168
	<u>481,995</u>	<u>475,818</u>

14. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.23 £	31.3.22 £
243,870,000	Ordinary	0.01	<u>2,438,700</u>	<u>2,438,700</u>

The ordinary shares are non-redeemable but hold full rights in respect of voting, and entitle the holder to full participation in respect of equity and in the event of winding up of the company, the shares may be considered by the directors when considering dividends from time to time.

15. **RESERVES**

	Retained earnings £
At 1 April 2022	(12,762,096)
Profit for the year	4,909,643
At 31 March 2023	<u>(7,852,453)</u>

Profit and loss

This reserve records retained earnings and accumulated losses.

16. **PENSION COMMITMENTS**

The company contributes to a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost accrual represents unpaid contributions payable by the company to the fund and amounted to £nil (2022: £nil). Contributions totalling £14,349 (2022: £nil) were payable to the fund at the reporting date and are included in administration expenses.

17. **CAPITAL COMMITMENTS**

	31.3.23 £	31.3.22 £
Contracted but not provided for in the financial statements	<u>82,957</u>	<u>414,489</u>

The above commitment is for the purchase of additional rental equipment which has been agreed in principle.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

18. **RELATED PARTY DISCLOSURES**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

19. **ULTIMATE CONTROLLING PARTY**

The immediate parent undertaking is Hamilton Management (London) Limited, a company registered and incorporated in the UK. The ultimate parent company is Bell Microsystems Limited, a company registered and incorporated in the UK.

The company's financial statements are consolidated in to the financial statements of Bell Microsystems Limited which can be obtained from New Hampshire Court, St Pauls Road, Southsea, Hampshire, PO5 4AQ. This is the largest and the smallest group of undertakings for which consolidated financial statements are drawn up.

The directors consider A Bell, who is the beneficial owner of Bell Microsystems Limited, to be the ultimate controlling party.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.