

Unaudited Financial Statements
for the Year Ended 31 December 2021
for
PRO-MOTION HIRE LIMITED

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for the year ended 31 December 2021

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PRO-MOTION HIRE LIMITED

Company Information
for the year ended 31 December 2021

Director: D W Martin

Secretary: D W Martin

Registered office: Northside House
69 Tweedy Road
Bromley
Kent
BR1 3WA

Registered number: 05398264 (England and Wales)

Accountants: Haines Watts
Chartered Accountants
Northside House
69 Tweedy Road
Bromley
Kent
BR1 3WA

Chartered Accountants' Report to the Director
on the Unaudited Financial Statements of
Pro-Motion Hire Limited

The following reproduces the text of the report prepared for the director in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Balance Sheet. Readers are cautioned that the Statement of Comprehensive Income and certain other primary statements and the Report of the Director are not required to be filed with the Registrar of Companies.

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Pro-Motion Hire Limited for the year ended 31 December 2021 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the director of Pro-Motion Hire Limited in accordance with the terms of our engagement letter dated 9 July 2013. Our work has been undertaken solely to prepare for your approval the financial statements of Pro-Motion Hire Limited and state those matters that we have agreed to state to the director of Pro-Motion Hire Limited in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Pro-Motion Hire Limited and its director for our work or for this report.

It is your duty to ensure that Pro-Motion Hire Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Pro-Motion Hire Limited. You consider that Pro-Motion Hire Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Pro-Motion Hire Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Haines Watts
Chartered Accountants
Northside House
69 Tweedy Road
Bromley
Kent
BR1 3WA

9 May 2022

Balance Sheet
31 December 2021

	Notes	£	2021 £	£	2020 £
Fixed assets					
Tangible assets	4		1,111,617		1,476,873
Current assets					
Debtors	5	594,268		571,207	
Cash at bank and in hand		<u>454</u>		<u>66,363</u>	
		594,722		637,570	
Creditors					
Amounts falling due within one year	6	<u>1,263,761</u>		<u>1,274,583</u>	
Net current liabilities			<u>(669,039)</u>		<u>(637,013)</u>
Total assets less current liabilities			442,578		839,860
Creditors					
Amounts falling due after more than one year	7		(671,664)		(1,219,131)
Provisions for liabilities	9		<u>(87,779)</u>		<u>(73,110)</u>
Net liabilities			<u>(316,865)</u>		<u>(452,381)</u>
Capital and reserves					
Called up share capital	10		57		57
Capital redemption reserve			50		50
Retained earnings			<u>(316,972)</u>		<u>(452,488)</u>
Shareholders' funds			<u>(316,865)</u>		<u>(452,381)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2021 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

Balance Sheet - continued
31 December 2021

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

In accordance with Section 444 of the Companies Act 2006, the Statement of Comprehensive Income has not been delivered.

The financial statements were approved by the director and authorised for issue on 9 May 2022 and were signed by:

D W Martin - Director

Notes to the Financial Statements
for the year ended 31 December 2021

1. **Statutory information**

Pro-Motion Hire 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.

The presentation currency of the financial statements is the Pound Sterling (£).

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" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The accounts have been prepared on a going concern basis on the basis that the main shareholder and related party will continue to provide financial support to the company.

Key source of estimation, uncertainty and judgement

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgement that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period.

There is estimation uncertainty in calculating depreciation. A review of fixed assets is carried out by management regularly. Whilst every attempt is made to ensure that the depreciation policy is as accurate as possible, there remains a risk that the policy does not match the useful life of the assets.

There is estimation uncertainty in calculating deferred tax. A review of deferred tax is carried out by management regularly. Whilst every attempt is made to ensure that the deferred tax is accurate as possible, there remains a risk that the provisions do not match the actual tax liability when asset is disposed off.

There is estimation uncertainty in calculating bad debt provisions. A review of trade debtors is carried out at the end of each month. Whilst every attempt is made to ensure that the bad debt provisions are as accurate as possible, there remains a risk that the provisions do not match the level of debts which ultimately prove to be uncollectable.

Turnover

Turnover represents net invoiced sales and hire of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 20% on cost
Fixtures and fittings	- 33% on cost
Motor vehicles	- 33% on cost

2. **Accounting policies - continued**

Financial instruments

Financial assets and financial liabilities are recognised in the balance sheet when the company becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the company will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank and bank overdrafts.

Financial liabilities and equity instruments issued by the company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss Account, except to the extent that it relates to items recognised 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.

Hire purchase and leasing commitments

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

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.

3. **Employees and directors**

The average number of employees during the year was 32 (2020 - 33).

Notes to the Financial Statements - continued
for the year ended 31 December 20214. **Tangible fixed assets**

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
Cost				
At 1 January 2021	4,895,380	82,307	1,000	4,978,687
Additions	228,322	11,242	-	239,564
Disposals	(461,053)	-	-	(461,053)
At 31 December 2021	<u>4,662,649</u>	<u>93,549</u>	<u>1,000</u>	<u>4,757,198</u>
Depreciation				
At 1 January 2021	3,433,762	67,052	1,000	3,501,814
Charge for year	514,741	11,170	-	525,911
Eliminated on disposal	(382,144)	-	-	(382,144)
At 31 December 2021	<u>3,566,359</u>	<u>78,222</u>	<u>1,000</u>	<u>3,645,581</u>
Net book value				
At 31 December 2021	<u>1,096,290</u>	<u>15,327</u>	<u>-</u>	<u>1,111,617</u>
At 31 December 2020	<u>1,461,618</u>	<u>15,255</u>	<u>-</u>	<u>1,476,873</u>

5. **Debtors: amounts falling due within one year**

	2021 £	2020 £
Trade debtors	231,791	293,863
Other debtors	<u>362,477</u>	<u>277,344</u>
	<u>594,268</u>	<u>571,207</u>

6. **Creditors: amounts falling due within one year**

	2021 £	2020 £
Bank loans and overdrafts	240,409	67,500
Hire purchase contracts (see note 8)	417,403	734,222
Trade creditors	370,427	302,105
Taxation and social security	200,297	121,853
Other creditors	<u>35,225</u>	<u>48,903</u>
	<u>1,263,761</u>	<u>1,274,583</u>

7. **Creditors: amounts falling due after more than one year**

	2021 £	2020 £
Bank loans	565,417	707,500
Hire purchase contracts (see note 8)	<u>106,247</u>	<u>511,631</u>
	<u>671,664</u>	<u>1,219,131</u>

Notes to the Financial Statements - continued
for the year ended 31 December 2021

8. Leasing agreements

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2021	2020
	£	£
Net obligations repayable:		
Within one year	417,403	734,222
Between one and five years	106,247	511,631
	<u>523,650</u>	<u>1,245,853</u>

	Non-cancellable operating leases	
	2021	2020
	£	£
Within one year	<u>78,986</u>	<u>90,190</u>

9. Provisions for liabilities

	2021	2020
	£	£
Deferred tax	<u>87,779</u>	<u>73,110</u>

	Deferred tax
	£
Balance at 1 January 2021	73,110
Provided during year	14,669
Balance at 31 December 2021	<u>87,779</u>

10. Called up share capital

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021	2020
			£	£
5,000	Ordinary 01	1p	50	50
682	A Ordinary	1p	7	7
			<u>57</u>	<u>57</u>

Notes to the Financial Statements - continued
for the year ended 31 December 2021**11. Director's advances, credits and guarantees**

The following advances and credits to a director subsisted during the years ended 31 December 2021 and 31 December 2020:

	2021	2020
	£	£
D W Martin		
Balance outstanding at start of year	125,740	30,545
Amounts advanced	40,118	149,195
Amounts repaid	(1,048)	(54,000)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>164,810</u>	<u>125,740</u>

12. Post balance sheet events

The company's operations have been impacted by the Covid-19 outbreak and associated government action, including social distancing measures, which started in March 2020 and is ongoing at the date of this report. The impact of these disruptions have been considered as part of the directors' review of the going concern basis. No adjustments to the financial statements are required as a result of these events.

13. Ultimate controlling party

The ultimate controlling party is D W Martin.

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.