

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2020  
FOR  
SOUTHERN CRANES & ACCESS LTD**

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FOR THE YEAR ENDED 30 APRIL 2020**

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**SOUTHERN CRANES & ACCESS LTD**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 30 APRIL 2020**

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**DIRECTORS:** C S Sadler  
M P Sadler  
R Sadler  
K Prince

**SECRETARY:** A Sadler

**REGISTERED OFFICE:** Winterfields Farm  
Wiggonholt  
Pulborough  
West Sussex  
RH20 2EJ

**REGISTERED NUMBER:** 03462517 (England and Wales)

**AUDITORS:** Lewis Brownlee (Chichester) Limited  
Chartered Accountants  
Statutory Auditors  
Appledram Barns  
Birdham Road  
Chichester  
West Sussex  
PO20 7EQ

**STRATEGIC REPORT  
FOR THE YEAR ENDED 30 APRIL 2020**

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The directors present their strategic report for the year ended 30 April 2020.

**REVIEW OF BUSINESS**

This has been a poor financial year, a number of our larger contracts were put on hold due to the Brexit uncertainties, winter weather in November 2019 then January - February 2020 and also the COVID-19 lock down caused more disruption at the end of the year.

We will continue with our current replacement programme to maintain our modern fleet of machines, but will not look to expand in the coming year.

The key performance indicators for business, year on year, are:

1. Gross profit which has fallen from £4,435,299 (33%) to £3,081,583 (28%).
2. Results before tax which has fallen to a loss of £132,028 from a profit of £1,183,683.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The company is passionate about promoting health and safety standards throughout our business and we continue to seek ways to improve. We continually seek to raise awareness of the importance of safe working practices, where we monitor how we are performing by assessing Accident Frequency Rate and reported RIDDORs per month and in the year to date against the previous year's performance figures. We have comprehensive policies on safe working, accident management and on maintenance and servicing of our assets and equipment, to help us manage our health and safety processes, accident, incident and near-miss reporting as well as our on-site works and audits.

Environmental protection is also very important to us and we continue to work to improve our emissions reduction along with our commitment to reduce our usage of fossil fuel electricity. We monitor and assess our energy usage annually.

Training for all our employees still remains a top priority and we are delighted that our training initiatives have been well received by all levels of our team this year, as well as further developments being made in our external training school to serve the industry as a whole.

The company is developing its use of state of the art and fit for purpose technologies and continues to invest in further digitization to enhance functionality and streamline and simplify both the core operations and back-office support functions, whilst driving further efficiencies and improving visibility to service our customers.

Whilst we remain mindful of the current political and economic uncertainty we are confident that the preparations we have in place, as well as our unique operating model, provides us with the flexibility to adapt to the constantly changing market conditions.

**ON BEHALF OF THE BOARD:**

M P Sadler - Director

21 April 2021

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 30 APRIL 2020**

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The directors present their report with the financial statements of the company for the year ended 30 April 2020.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the provision of both operated and non-operated cranes and access equipment for hire.

**DIVIDENDS**

The total distribution of dividends for the year ended 30 April 2020 was £220,629 (2019: £198,766).

**EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 May 2019 to the date of this report.

C S Sadler  
M P Sadler  
R Sadler  
K Prince

**FINANCIAL INSTRUMENTS**

The directors believe the company is exposed to normal levels of price risk, credit and interest rate risk, liquidity risk and cash flow risks and manage these through standard risk management objectives and policies without the use of hedging or other advanced financial instruments.

**CHARITABLE DONATIONS**

During the year the company made charitable donations totalling £2,147 (2019: £1,862).

**DISCLOSURE IN THE STRATEGIC REPORT**

The company's business activities, along with relevant factors likely to affect its future development and position, are set out in the strategic report.

**DIRECTORS' RESPONSIBILITIES STATEMENT**

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 ought to have taken as a director in order to make himself 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 30 APRIL 2020**

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**AUDITORS**

The auditors, Lewis Brownlee (Chichester) Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

M P Sadler - Director

21 April 2021

# REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SOUTHERN CRANES & ACCESS LTD

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## Opinion

We have audited the financial statements of Southern Cranes & Access Ltd (the 'company') for the year ended 30 April 2020 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement 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 30 April 2020 and of its loss 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

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 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 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 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.

## 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.

### **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 Directors' Responsibilities Statement set out on page three, 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.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

### **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.

William Neville BSc FCA (Senior Statutory Auditor)  
for and on behalf of Lewis Brownlee (Chichester) Limited  
Chartered Accountants  
Statutory Auditors  
Appledram Barns  
Birdham Road  
Chichester  
West Sussex  
PO20 7EQ

22 April 2021



**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 APRIL 2020**

	Notes	2020 £	2019 £
<b>TURNOVER</b>	4	<b>11,037,489</b>	13,549,797
Cost of sales		<u><b>7,955,906</b></u>	<u>9,114,498</u>
<b>GROSS PROFIT</b>		<b>3,081,583</b>	4,435,299
Administrative expenses		<u><b>3,083,270</b></u>	<u>2,930,177</u>
		<b>(1,687)</b>	1,505,122
Other operating income		<u><b>243,987</b></u>	<u>16,699</u>
<b>OPERATING PROFIT</b>	6	<b>242,300</b>	1,521,821
Interest receivable and similar income		<u><b>2,805</b></u>	<u>19,228</u>
		<b>245,105</b>	1,541,049
Interest payable and similar expenses	7	<u><b>380,133</b></u>	<u>357,366</u>
<b>(LOSS)/PROFIT BEFORE TAXATION</b>		<b>(135,028)</b>	1,183,683
Tax on (loss)/profit	8	<u><b>(45,581)</b></u>	<u>231,492</u>
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>		<b>(89,447)</b>	952,191
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u><b>(89,447)</b></u>	<u>952,191</u>

**BALANCE SHEET**  
**30 APRIL 2020**

	Notes	£	2020 £	£	2019 £
<b>FIXED ASSETS</b>					
Intangible assets	10		-		-
Tangible assets	11		<b>16,007,366</b>		16,081,518
Investments	12		<b>62,000</b>		62,000
			<b>16,069,366</b>		16,143,518
<b>CURRENT ASSETS</b>					
Stocks	13	<b>65,265</b>		70,520	
Debtors	14	<b>2,495,862</b>		2,756,032	
Cash at bank		<b>1,581,530</b>		740,301	
		<b>4,142,657</b>		3,566,853	
<b>CREDITORS</b>					
Amounts falling due within one year	15	<b>4,765,974</b>		4,258,152	
<b>NET CURRENT LIABILITIES</b>			<b>(623,317)</b>		(691,299)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>15,446,049</b>		15,452,219
<b>CREDITORS</b>					
Amounts falling due after more than one year	16		<b>(6,451,819)</b>		(6,277,449)
<b>PROVISIONS FOR LIABILITIES</b>	20		<b>(1,122,834)</b>		(993,298)
<b>NET ASSETS</b>			<b>7,871,396</b>		8,181,472
<b>CAPITAL AND RESERVES</b>					
Called up share capital	21		<b>840</b>		840
Share premium	22		<b>70,193</b>		70,193
Other reserves	22		<b>152,329</b>		152,329
Retained earnings	22		<b>7,648,034</b>		7,958,110
<b>SHAREHOLDERS' FUNDS</b>			<b>7,871,396</b>		8,181,472

The financial statements were approved by the Board of Directors and authorised for issue on 21 April 2021 and were signed on its behalf by:

M P Sadler - Director

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 APRIL 2020**

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Share premium £</b>	<b>Other reserves £</b>	<b>Total equity £</b>
<b>Balance at 1 May 2018</b>	840	7,204,685	70,193	152,329	7,428,047
<b>Changes in equity</b>					
Dividends	-	(198,766)	-	-	(198,766)
Total comprehensive income	-	952,191	-	-	952,191
<b>Balance at 30 April 2019</b>	<u>840</u>	<u>7,958,110</u>	<u>70,193</u>	<u>152,329</u>	<u>8,181,472</u>
<b>Changes in equity</b>					
Dividends	-	(220,629)	-	-	(220,629)
Total comprehensive income	-	(89,447)	-	-	(89,447)
<b>Balance at 30 April 2020</b>	<u>840</u>	<u>7,648,034</u>	<u>70,193</u>	<u>152,329</u>	<u>7,871,396</u>

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 APRIL 2020**

		<b>2020</b>	<b>2019</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>			
Cash generated from operations	26	<b>2,795,468</b>	3,293,543
Interest paid		<b>(8,351)</b>	5,648
Interest element of hire purchase payments		<b>(371,782)</b>	(363,014)
Tax paid		<b>(26,016)</b>	(214,073)
Net cash from operating activities		<u><b>2,389,319</b></u>	<u>2,722,104</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		<b>(4,580,823)</b>	(4,955,763)
Sale of tangible fixed assets		<b>2,551,534</b>	1,397,171
Interest received		<b>2,805</b>	19,228
Net cash from investing activities		<u><b>(2,026,484)</b></u>	<u>(3,539,364)</u>
<b>Cash flows from financing activities</b>			
Increase in loans from related parties		<b>66,563</b>	25,025
Net capital repayments & new contracts		<b>388,128</b>	539,814
Amount introduced by directors		<b>47,625</b>	34,853
Amount withdrawn by directors		<b>(103,986)</b>	(155,721)
Equity dividends paid		<b>(220,629)</b>	(198,766)
Net cash from financing activities		<u><b>177,701</b></u>	<u>245,205</u>
<b>Increase/(decrease) in cash and cash equivalents</b>		<u><b>540,536</b></u>	<u>(572,055)</u>
<b>Cash and cash equivalents at beginning of year</b>	27	<b>740,301</b>	1,312,356
<b>Cash and cash equivalents at end of year</b>	27	<u><b>1,280,837</b></u>	<u>740,301</u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2020**

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**1. STATUTORY INFORMATION**

Southern Cranes & Access Ltd 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. STATEMENT OF COMPLIANCE**

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.

**3. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements have been prepared under the historical cost convention.

The financial statements are presented in Sterling, which is also a functional currency of the company.

**Going concern**

The financial statements have been prepared on a going concern basis. The directors will continue to support the company whilst the balance sheet shows net current liabilities, and have committed to do so for a period of at least twelve months from the date of approval of these accounts.

**Preparation of consolidated financial statements**

The financial statements contain information about Southern Cranes and Access Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken the exemption under Section 405 of the Companies Act 2006 not to prepare consolidated financial statements.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 APRIL 2020**

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**3. ACCOUNTING POLICIES - continued**

**Significant judgements and estimates**

Application of the accounting policies in the preparation of the financial statements requires the directors to apply judgment involving assumptions and estimates concerning future results and other developments, including the likelihood, timing or amount of future transactions or events. There can be no assurance that actual results will not materially differ from those estimates.

Estimates and underlying expectations are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The directors have made the following judgements:

- Determine the rates of depreciation on cranes in plant and machinery. The policy not to depreciate cranes below 30% of cost and to reduce the depreciation rate to 10% if over 3 years is based on the knowledge of the directors of the economic viability and expected future financial performance of the asset.
- Determine whether leases entered into by the company are operating leases or finance leases. These decisions depend on an assessment of whether the risk and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

Useful economic lives of plant and machinery:

The annual depreciation charge for plant and machinery is sensitive to changes in the estimated useful economic lives and residual values of the assets. Tangible fixed assets are depreciated over their useful lives taking into account residual value, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. These factors contain a degree of estimation, this being the remaining life of the asset based on the current condition and residual values based on future market conditions. See note 11 for the carrying amount of plant and machinery, and 'Tangible fixed assets' accounting policy for the depreciation policy used.

**Turnover**

Turnover represents the total invoice value, excluding value added tax, of sales made during the year arising from ordinary activities of the business. The revenue streams are: equipment hire with operator, equipment hire without operator, contract lift work, and the re-hire of cranes.

For all revenue streams revenue comprises of the agreed quote plus any additional variations and is recognised over the period the service relates as long as it is probable that the company will receive the consideration due under the transaction.

Rental income is recognised in the period to which it relates.

**Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 APRIL 2020**

**3. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 10% on cost
Short leasehold	- in accordance with the property lease
Plant and machinery	- 20% on cost
Fixtures and fittings	- 25% on cost
Motor vehicles	- 25% on cost

Cranes included in plant and machinery are depreciated, after estimated residual values, at 12.5% on cost reducing to 10% on cost if over 3 years old.

Land is not depreciated.

**Government grants**

Grants relating to revenue are recognised in income on a systematic basis over the period in which the entity recognises the related costs for which the grant is intended to compensate. Grants that become receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

**Investments in subsidiaries**

Investments in subsidiary undertakings are recognised at cost.

Assets are reviewed for any impairment to their value to below cost, and written down accordingly if appropriate.

**Stocks**

Stocks are consumable items valued at cost less any provision required for obsolescence and damage.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, 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 taxation**

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.

**Research and development**

Expenditure on research and development is written off in the year in which it is incurred.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 APRIL 2020**

**3. ACCOUNTING POLICIES - continued**

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account using the sum of digits method.

Rentals paid under operating leases are charged to the profit and loss account 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.

**Financial instruments**

**Trade and other debtors**

Trade and other debtors are initially measured at cost and thereafter stated at amortised cost using the effective interest method, less any impairment except where the effect of discounting would be immaterial. In such cases the debtors are stated at cost less impairment losses for bad and doubtful debts.

**Trade and other creditors**

Trade and other creditors are initially recognised at cost and thereafter stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

**4. TURNOVER**

The turnover and loss (2019 - profit) before taxation are attributable to the one principal activity of the company.

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

	2020 £	2019 £
Sales	10,587,024	12,792,775
Sales of rehired plant	450,465	757,022
	<u>11,037,489</u>	<u>13,549,797</u>

**5. EMPLOYEES AND DIRECTORS**

	2020 £	2019 £
Wages and salaries	4,350,098	4,590,508
Social security costs	474,252	515,719
Other pension costs	76,516	53,591
	<u>4,900,866</u>	<u>5,159,818</u>



**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 APRIL 2020**

**5. EMPLOYEES AND DIRECTORS - continued**

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

	<b>2020</b>	<b>2019</b>
Operational staff	<b>63</b>	66
Administrative staff	<b>21</b>	36
	<b><u>84</u></b>	<b><u>102</u></b>

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Directors' remuneration	<b><u>45,340</u></b>	<b><u>49,155</u></b>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<b><u>3</u></b>	<b><u>3</u></b>
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The directors are the only key management personnel.

**6. OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Hire of plant and machinery	<b>14,052</b>	34,154
Depreciation - owned assets	<b>447,470</b>	369,635
Depreciation - assets on hire purchase contracts	<b>2,050,412</b>	2,044,740
Profit on disposal of fixed assets	<b>(394,441)</b>	(461,774)
Auditors' remuneration	<b>18,000</b>	13,000
Foreign exchange differences	<b><u>35,217</u></b>	<b><u>(124,075)</u></b>

**7. INTEREST PAYABLE AND SIMILAR EXPENSES**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Other interest paid	<b>8,351</b>	(5,648)
Hire purchase interest	<b><u>371,782</u></b>	<b><u>363,014</u></b>
	<b><u>380,133</u></b>	<b><u>357,366</u></b>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 APRIL 2020**

**8. TAXATION****Analysis of the tax (credit)/charge**

The tax (credit)/charge on the loss for the year was as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Current tax:		
UK corporation tax	<b>(76,692)</b>	98,425
Tax prior year	<b>(98,425)</b>	<u>1,650</u>
Total current tax	<b>(175,117)</b>	<u>100,075</u>
Deferred tax	<b>129,536</b>	<u>131,417</u>
Tax on (loss)/profit	<b>(45,581)</b>	<u>231,492</u>

**Reconciliation of total tax (credit)/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:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
(Loss)/profit before tax	<b>(135,028)</b>	<u>1,183,683</u>
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	<b>(25,655)</b>	224,900
Effects of:		
Expenses not deductible for tax purposes	<b>9,381</b>	4,943
Adjustments to tax charge in respect of previous periods	<b>-</b>	1,649
Research and development enhanced claim	<b>(29,307)</b>	<b>-</b>
Total tax (credit)/charge	<b>(45,581)</b>	<u>231,492</u>

**9. DIVIDENDS**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Ordinary A shares of £1 each		
Interim	<b>199,581</b>	176,404
Ordinary B shares of £1 each		
Interim	<b>21,048</b>	<u>22,362</u>
	<b>220,629</b>	<u>198,766</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 APRIL 2020**

**10. INTANGIBLE FIXED ASSETS**

**Goodwill**  
**£**

**COST**

At 1 May 2019  
and 30 April 2020

**130,000**

**AMORTISATION**

At 1 May 2019  
and 30 April 2020

**130,000**

**NET BOOK VALUE**

At 30 April 2020

**-**

At 30 April 2019

**-**

**11. TANGIBLE FIXED ASSETS**

**Freehold  
property  
£**

**Short  
leasehold  
£**

**Plant and  
machinery  
£**

**COST**

At 1 May 2019

**884,448      77,669      24,699,769**

Additions

**-      -      4,452,878**

Disposals

**-      -      (3,781,947)**

At 30 April 2020

**884,448      77,669      25,370,700**

**DEPRECIATION**

At 1 May 2019

**5,237      77,669      9,956,675**

Charge for year

**6,014      -      2,297,915**

Eliminated on disposal

**-      -      (1,648,939)**

At 30 April 2020

**11,251      77,669      10,605,651**

**NET BOOK VALUE**

At 30 April 2020

**873,197      -      14,765,049**

At 30 April 2019

**879,211      -      14,743,094**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 APRIL 2020**

**11. TANGIBLE FIXED ASSETS - continued**

	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>			
At 1 May 2019	174,074	995,724	26,831,684
Additions	-	127,945	4,580,823
Disposals	-	(118,488)	(3,900,435)
At 30 April 2020	<u>174,074</u>	<u>1,005,181</u>	<u>27,512,072</u>
<b>DEPRECIATION</b>			
At 1 May 2019	95,203	615,382	10,750,166
Charge for year	36,840	157,113	2,497,882
Eliminated on disposal	-	(94,403)	(1,743,342)
At 30 April 2020	<u>132,043</u>	<u>678,092</u>	<u>11,504,706</u>
<b>NET BOOK VALUE</b>			
At 30 April 2020	<u>42,031</u>	<u>327,089</u>	<u>16,007,366</u>
At 30 April 2019	<u>78,871</u>	<u>380,342</u>	<u>16,081,518</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £	Motor vehicles £	Totals £
<b>COST</b>			
At 1 May 2019	17,031,868	87,000	17,118,868
Additions	4,389,840	86,445	4,476,285
Disposals	(2,083,217)	-	(2,083,217)
Reclassification/transfer	(2,742,322)	(87,000)	(2,829,322)
At 30 April 2020	<u>16,596,169</u>	<u>86,445</u>	<u>16,682,614</u>
<b>DEPRECIATION</b>			
At 1 May 2019	4,860,073	43,500	4,903,573
Charge for year	2,010,653	39,759	2,050,412
Eliminated on disposal	(429,664)	-	(429,664)
Reclassification/transfer	(1,919,335)	(65,250)	(1,984,585)
At 30 April 2020	<u>4,521,727</u>	<u>18,009</u>	<u>4,539,736</u>
<b>NET BOOK VALUE</b>			
At 30 April 2020	<u>12,074,442</u>	<u>68,436</u>	<u>12,142,878</u>
At 30 April 2019	<u>12,171,795</u>	<u>43,500</u>	<u>12,215,295</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 APRIL 2020**

**12. FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>COST</b>	
At 1 May 2019	
and 30 April 2020	<u><b>62,000</b></u>
<b>NET BOOK VALUE</b>	
At 30 April 2020	<u><b>62,000</b></u>
At 30 April 2019	<u><b>62,000</b></u>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

**Southern Contract Lifting Ltd**

Registered office: Winterfields Farm, Wiggonholt, Pulborough, West Sussex, RH20 2EJ

Nature of business: Dormant

	% holding	2020 £	2019 £
Class of shares:	100.00		
Ordinary			
Aggregate capital and reserves		<u><b>62,000</b></u>	<u><b>62,000</b></u>

Southern Contract Lifting Ltd was dormant throughout the years ended 30 April 2020 and 30 April 2019.

**13. STOCKS**

	2020 £	2019 £
Stocks	<u><b>65,265</b></u>	<u><b>70,520</b></u>

**14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020 £	2019 £
Trade debtors	<b>1,734,878</b>	2,345,252
Other debtors	<b>11,715</b>	27,144
Directors' current accounts	-	1,318
Corporation tax	<b>251,642</b>	50,511
VAT	<b>35,595</b>	-
Prepayments and accrued income	<u><b>462,032</b></u>	<u><b>331,807</b></u>
	<u><b>2,495,862</b></u>	<u><b>2,756,032</b></u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 APRIL 2020**

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts (see note 17)	<b>300,693</b>	-
Other loans (see note 17)	<b>14,240</b>	37,635
Hire purchase contracts (see note 18)	<b>2,781,149</b>	2,593,982
Trade creditors	<b>593,292</b>	348,799
Amounts owed to related undertakings	<b>210,370</b>	143,807
Social security and other taxes	<b>96,518</b>	122,997
VAT	-	248,521
Other creditors	<b>226,179</b>	354,062
Net wages creditor	<b>35,297</b>	42,978
Directors' current accounts	<b>153,369</b>	107,063
Directors' loan accounts	-	54,000
Accruals and deferred income	<b>354,867</b>	204,308
	<b><u>4,765,974</u></b>	<b><u>4,258,152</u></b>

Included within other creditors is £19,336 (2019: £17,337) in relation to pensions payable.

**16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Other loans (see note 17)	<b>26,828</b>	41,433
Hire purchase contracts (see note 18)	<b>6,424,991</b>	6,224,030
Directors' loan accounts	-	11,986
	<b><u>6,451,819</u></b>	<b><u>6,277,449</u></b>

The balances under hire purchase contracts are secured on the assets concerned. The other loans represents a long term director's loan from M Sadler. Interest on this loan is charged at 2% above the Bank of England's base rate.

**17. LOANS**

An analysis of the maturity of loans is given below:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Amounts falling due within one year or on demand:		
Bank overdrafts	<b>300,693</b>	-
Other loans	<b>14,240</b>	37,635
	<b><u>314,933</u></b>	<b><u>37,635</u></b>
Amounts falling due between one and two years:		
Other loans - 1-2 years	<b><u>14,240</u></b>	<b><u>13,875</u></b>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<b><u>12,588</u></b>	<b><u>27,558</u></b>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 APRIL 2020**

**18. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	<b>Hire purchase contracts</b>	
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Net obligations repayable:</b>		
<b>Within one year</b>	<b>2,781,149</b>	<b>2,593,982</b>
<b>Between one and five years</b>	<b>6,424,991</b>	<b>5,997,928</b>
<b>In more than five years</b>	<b>-</b>	<b>226,102</b>
	<b><u>9,206,140</u></b>	<b><u>8,818,012</u></b>
	<b>Non-cancellable operating leases</b>	
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Within one year</b>	<b>49,641</b>	<b>63,099</b>
<b>Between one and five years</b>	<b>16,847</b>	<b>66,487</b>
	<b><u>66,488</u></b>	<b><u>129,586</u></b>

**19. SECURED DEBTS**

The following secured debts are included within creditors:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Bank overdraft	<b>300,693</b>	-
Hire purchase contracts	<b>9,206,140</b>	<b>8,818,012</b>
	<b><u>9,506,833</u></b>	<b><u>8,818,012</u></b>

**20. PROVISIONS FOR LIABILITIES**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Deferred tax	<b><u>1,122,834</u></b>	<b><u>993,298</u></b>
	<b>Deferred tax</b>	
	<b>£</b>	
Balance at 1 May 2019		<b>993,298</b>
Accelerated capital allowances		<b>129,536</b>
Balance at 30 April 2020		<b><u>1,122,834</u></b>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 APRIL 2020**

**21. CALLED UP SHARE CAPITAL****Allotted, issued and fully paid:**

<b>Number:</b>	<b>Class:</b>	<b>Nominal value:</b>	<b>2020</b>	<b>2019</b>
			<b>£</b>	<b>£</b>
140	Ordinary B	£1	<u><b>140</b></u>	<u><b>140</b></u>

**Allotted and issued:**

<b>Number:</b>	<b>Class:</b>	<b>Nominal value:</b>	<b>2020</b>	<b>2019</b>
			<b>£</b>	<b>£</b>
700	Ordinary A	£1	<u><b>700</b></u>	<u><b>700</b></u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at meetings of the company. All ordinary shares rank equally with regard to the company's residual assets.

**22. RESERVES**

	<b>Retained earnings</b>	<b>Share premium</b>	<b>Other reserves</b>	<b>Totals</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 May 2019	<b>7,958,110</b>	<b>70,193</b>	<b>152,329</b>	<b>8,180,632</b>
Deficit for the year	<b>(89,447)</b>	<b>-</b>	<b>-</b>	<b>(89,447)</b>
Dividends	<b>(220,629)</b>	<b>-</b>	<b>-</b>	<b>(220,629)</b>
At 30 April 2020	<u><b>7,648,034</b></u>	<u><b>70,193</b></u>	<u><b>152,329</b></u>	<u><b>7,870,556</b></u>

**23. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

At the balance sheet date the company owed the director K Prince £2,311. During the year the company made advances to the director of £21,293 and the director made repayments of £23,604. Interest has not been charged on the above loan.

**24. RELATED PARTY DISCLOSURES**

At the year end the company owed £148,370 (2019: £81,807) to Winterfields Farm Limited. No interest on the loan was charged during the current or previous year. Winterfields Farm Limited is controlled by M Sadler.

At the year end the company owed £62,000 to its subsidiary Southern Contract Lifting Ltd (2019: £62,000). The company acquired the net assets of the subsidiary as a result of the merger between the two companies. No interest was charged on the loan in the current or previous year.

**25. POST BALANCE SHEET EVENTS**

Since the year end, the COVID-19 pandemic has continued to contribute to challenging conditions on the company's activities.

The company has closely monitored its cash flow projections for the short to medium term and updated these models for the affect of COVID-19. The directors are satisfied that the company has sufficient levels of reserves to continue to operate for the foreseeable future.

The company has experienced some impact from the leaving of the EU. There is a longer lead time for the delivery of spare crane parts, thus they are needing to order further in advance. The directors do not consider that their sales have been affected by leaving the EU.



**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 APRIL 2020**

**26. RECONCILIATION OF (LOSS)/PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2020 £	2019 £
(Loss)/profit before taxation	(135,028)	1,183,683
Depreciation charges	2,497,883	2,414,375
Profit on disposal of fixed assets	(394,441)	(461,774)
Finance costs	380,133	357,366
Finance income	(2,805)	(19,228)
	<u>2,345,742</u>	<u>3,474,422</u>
Decrease in stocks	5,255	11,480
Decrease in trade and other debtors	461,302	350,851
Decrease in trade and other creditors	(16,831)	(543,210)
<b>Cash generated from operations</b>	<u><b>2,795,468</b></u>	<u><b>3,293,543</b></u>

**27. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 30 April 2020**

	30/4/20 £	1/5/19 £
Cash and cash equivalents	1,581,530	740,301
Bank overdrafts	(300,693)	-
	<u><b>1,280,837</b></u>	<u><b>740,301</b></u>

**Year ended 30 April 2019**

	30/4/19 £	1/5/18 £
Cash and cash equivalents	<u>740,301</u>	<u>1,312,356</u>

**28. ANALYSIS OF CHANGES IN NET DEBT**

	At 1/5/19 £	Cash flow £	At 30/4/20 £
<b>Net cash</b>			
Cash at bank	740,301	841,229	1,581,530
Bank overdrafts	-	(300,693)	(300,693)
	<u>740,301</u>	<u>540,536</u>	<u>1,280,837</u>
<b>Debt</b>			
Finance leases	(8,818,012)	(388,128)	(9,206,140)
Debts falling due within 1 year	(37,635)	23,395	(14,240)
Debts falling due after 1 year	(41,433)	14,605	(26,828)
	<u>(8,897,080)</u>	<u>(350,128)</u>	<u>(9,247,208)</u>
<b>Total</b>	<u><b>(8,156,779)</b></u>	<u><b>190,408</b></u>	<u><b>(7,966,371)</b></u>