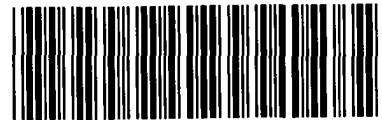


Company Registration No. 01522204 (England and Wales)

HYDRAINER PUMP HIRE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018

SATURDAY



A87NPAJF
A28 15/06/2019 #140
COMPANIES HOUSE

HYDRAINER PUMP HIRE LIMITED

COMPANY INFORMATION

Directors	J A Barden A D M MacDonald
Secretary	L M P MacDonald
Company number	01522204
Registered office	Rotherham Close Norwood Industrial Estate Killamarsh Sheffield S21 2JU
Auditor	BHP LLP 57-59 Saltergate Chesterfield Derbyshire S40 1UL

HYDRAINER PUMP HIRE LIMITED

CONTENTS

	Page
Strategic report	1
Directors' report	2 - 3
Independent auditor's report	4 - 5
Statement of comprehensive income	6
Balance sheet	7
Statement of changes in equity	8
Statement of cash flows	9
Notes to the financial statements	10 - 20

HYDRAINER PUMP HIRE LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2018

The directors present the strategic report for the year ended 30 September 2018.

Fair review of the business

The performance of the company during the year to 30 September 2018 has been satisfactory and that is expected to continue for the foreseeable future. Gross Profit of £5,159,785 has been achieved despite unfavourable climatic conditions. The exceptionally dry weather and hot summer has reduced the demand for pumps, and where there has been a demand, this has often been for smaller pumps which have a lower rental rate. As a consequence, Gross Profit margin has been challenged, decreasing to 56.4% (2017: 57.6%). Furthermore, due to well publicised economic uncertainty in the UK, this has created delays in major construction projects, particularly in the London area.

Principal risks and uncertainties

Turnover is spread across a large and diverse customer base which lessens the risk to future revenue streams when a large contract is completed, and extends to some of the UK's largest contractors and utility companies. No single customer accounts for more than 7% of annual revenue. The nationwide depot network covers England, Scotland and Wales, which enables the business to provide a prompt local response to customers' requirements, even to remote locations.

The extensive fleet of hydraulic and electric pumps means the company can offer a totally focused approach to pumping requirements in all market sectors, from very large "over pumping" projects to smaller more specialist pumping applications.

With 97.8% of revenue derived from UK operations which are invoiced in GBP, and expenditure also invoiced and paid for in sterling, the company is not exposed to the financial risks of changes in foreign currency rates.

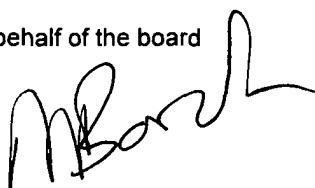
Key performance indicators

Given the straightforward nature of the business, the directors believe analysis through KPI's is not necessary to give an understanding of the development, performance and position of the entity.

Strategic and future developments

The rental fleet is constantly being updated which ensures that any changes in legislation and emissions regulations are complied with.

On behalf of the board



J A Barden

Director

10 June 2019

HYDRAINER PUMP HIRE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2018

The directors present their annual report and financial statements for the year ended 30 September 2018.

Principal activities

The principal activity of the company continued to be that of the hire of pumps and accessories.

Directors

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

J A Barden

A D M MacDonald

D Stock

(Resigned 10 August 2018)

Results and dividends

The results for the year are set out on page 6.

Ordinary dividends were paid amounting to £700,000. The directors do not recommend payment of a final dividend.

Auditor

The auditor, BHP LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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.

HYDRAINER PUMP HIRE LIMITED

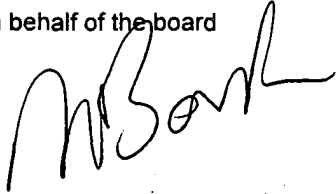
DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2018

Statement of disclosure to auditor

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

On behalf of the board



J A Barden

Director

10 June 2019

HYDRAINER PUMP HIRE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HYDRAINER PUMP HIRE LIMITED

Opinion

We have audited the financial statements of Hydrainer Pump Hire Limited (the 'company') for the year ended 30 September 2018 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2018 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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 included in the annual report, other than the financial statements and our auditor's report 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 our audit:

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

HYDRAINER PUMP HIRE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF HYDRAINER PUMP HIRE 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 and the directors' report.

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

- adequate accounting records have not been kept, 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, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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 an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Adrian Staniforth (Senior Statutory Auditor)
for and on behalf of BHP LLP

10 June 2019

Chartered Accountants
Statutory Auditor

57-59 Saltergate
Chesterfield
Derbyshire
S40 1UL

HYDRAINER PUMP HIRE LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 SEPTEMBER 2018

	Notes	2018 £	2017 £
Turnover	3	9,144,656	9,217,763
Cost of sales		(3,984,871)	(3,906,226)
Gross profit		5,159,785	5,311,537
Administrative expenses		(4,217,310)	(4,095,806)
Operating profit	4	942,475	1,215,731
Interest payable and similar expenses	6	(53,298)	(46,120)
Profit before taxation		889,177	1,169,611
Tax on profit	7	(118,554)	(228,624)
Profit for the financial year		770,623	940,987

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

HYDRAINER PUMP HIRE LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	9	8,001,882		7,449,683	
Current assets					
Stocks	11	1,295,973		1,175,094	
Debtors	12	2,570,395		2,432,870	
Cash at bank and in hand		2,803,730		4,237,921	
		<u>6,670,098</u>		<u>7,845,885</u>	
Creditors: amounts falling due within one year	13	<u>(7,768,910)</u>		<u>(8,529,711)</u>	
Net current liabilities			(1,098,812)		(683,826)
Total assets less current liabilities			<u>6,903,070</u>		<u>6,765,857</u>
Creditors: amounts falling due after more than one year	14		(845,325)		(756,010)
Provisions for liabilities	16		(312,000)		(334,725)
Net assets			<u>5,745,745</u>		<u>5,675,122</u>
Capital and reserves					
Called up share capital	19		100,000		100,000
Profit and loss reserves			<u>5,645,745</u>		<u>5,575,122</u>
Total equity			<u>5,745,745</u>		<u>5,675,122</u>

The financial statements were approved by the board of directors and authorised for issue on 10 June 2019 and are signed on its behalf by:



J A Barden
Director

Company Registration No. 01522204

HYDRAINER PUMP HIRE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2018

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 October 2016		100,000	5,134,135	5,234,135
Year ended 30 September 2017:				
Profit and total comprehensive income for the year		-	940,987	940,987
Dividends	8	-	(500,000)	(500,000)
Balance at 30 September 2017		100,000	5,575,122	5,675,122
Year ended 30 September 2018:				
Profit and total comprehensive income for the year		-	770,623	770,623
Dividends	8	-	(700,000)	(700,000)
Balance at 30 September 2018		100,000	5,645,745	5,745,745

HYDRAINER PUMP HIRE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2018

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Cash generated from operations	23	1,500,114		2,935,963	
Interest paid		(53,298)		(46,120)	
Income taxes paid		(279,864)		(253,460)	
Net cash inflow from operating activities		<u>1,166,952</u>		<u>2,636,383</u>	
Investing activities					
Purchase of tangible fixed assets		(2,284,884)		(1,954,164)	
Proceeds on disposal of tangible fixed assets		<u>234,846</u>		<u>212,566</u>	
Net cash used in investing activities		<u>(2,050,038)</u>		<u>(1,741,598)</u>	
Financing activities					
Payment of finance leases obligations		148,895		157,211	
Dividends paid		<u>(700,000)</u>		<u>(500,000)</u>	
Net cash used in financing activities		<u>(551,105)</u>		<u>(342,789)</u>	
Net (decrease)/increase in cash and cash equivalents		<u>(1,434,191)</u>		<u>551,996</u>	
Cash and cash equivalents at beginning of year		<u>4,237,921</u>		<u>3,685,925</u>	
Cash and cash equivalents at end of year		<u><u>2,803,730</u></u>		<u><u>4,237,921</u></u>	

HYDRAINER PUMP HIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2018

1 Accounting policies

Company information

Hydrainer Pump Hire Limited is a private company limited by shares incorporated in England and Wales. The registered office is Rotherham Close, Norwood Industrial Estate, Killamarsh, Sheffield, S21 2JU.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Turnover

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

1.4 Tangible fixed assets

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

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

Plant and equipment	10%/ 20%/ 33% straight line
Fixtures and fittings	20%/ 25%/ 33% straight line
Motor vehicles	10%/ 15%/ 25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use.

HYDRAINER PUMP HIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2018

1 Accounting policies

(Continued)

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash at bank and in hand

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

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

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

HYDRAINER PUMP HIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2018

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

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

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

Other financial liabilities

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

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

HYDRAINER PUMP HIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2018

1 Accounting policies

(Continued)

Derecognition of financial liabilities

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

1.9 Share capital

Share capital issued by the company is recorded at the proceeds received, net of transaction costs. Dividends payable on share capital are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

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

1.11 Employee benefits

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

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

1.12 Retirement benefits

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

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.14 Foreign exchange

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

HYDRAINER PUMP HIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2018

2 Judgements and key sources of estimation uncertainty

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

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

3 Turnover and other revenue

	2018 £	2017 £
Turnover analysed by class of business		
Rendering of services	9,144,656	9,217,763
	<u> </u>	<u> </u>
	2018 £	2017 £
Turnover analysed by geographical market		
United Kingdom	8,940,307	9,152,755
Overseas sales	204,349	65,008
	<u> </u>	<u> </u>
	9,144,656	9,217,763
	<u> </u>	<u> </u>

4 Operating profit

	2018 £	2017 £
Operating profit for the year is stated after charging/(crediting):		
Exchange gains	(40,664)	(6,426)
Fees payable to the company's auditor for the audit of the company's financial statements	9,000	8,350
Depreciation of owned tangible fixed assets	1,212,494	1,062,812
Depreciation of tangible fixed assets held under finance leases	409,058	489,133
Profit on disposal of tangible fixed assets	(123,713)	(116,927)
Cost of stocks recognised as an expense	2,354,496	2,370,741
Operating lease charges	300,940	284,986
	<u> </u>	<u> </u>

HYDRAINER PUMP HIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2018

5 Employees

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

	2018 Number	2017 Number
Production	48	52
Administrative	29	28
	<u>77</u>	<u>80</u>

Their aggregate remuneration comprised:

	2018 £	2017 £
Wages and salaries	2,494,574	2,374,130
Social security costs	229,528	208,506
Pension costs	35,943	28,475
	<u>2,760,045</u>	<u>2,611,111</u>

6 Interest payable and similar expenses

	2018 £	2017 £
Interest on financial liabilities measured at amortised cost:		
Other interest on financial liabilities	<u>53,298</u>	<u>46,120</u>

7 Taxation

	2018 £	2017 £
Current tax		
UK corporation tax on profits for the current period	162,293	228,624
Adjustments in respect of prior periods	<u>(21,014)</u>	<u>-</u>
Total current tax	<u>141,279</u>	<u>228,624</u>
Deferred tax		
Origination and reversal of timing differences	<u>(22,725)</u>	<u>-</u>
Total tax charge	<u>118,554</u>	<u>228,624</u>

HYDRAINER PUMP HIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2018

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

	2018 £	2017 £
Profit before taxation	889,177	1,169,611
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.00%)	168,944	222,226
Tax effect of expenses that are not deductible in determining taxable profit	2,171	1,454
Change in unrecognised deferred tax assets	(30,618)	-
Effect of change in corporation tax rate	(929)	4,944
Under/(over) provided in prior years	(21,014)	-
Taxation charge for the year	118,554	228,624

8 Dividends

	2018 £	2017 £
Interim paid	700,000	500,000

9 Tangible fixed assets

	Plant and equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 October 2017	17,036,208	698,672	1,596,614	19,331,494
Additions	1,912,035	50,411	322,438	2,284,884
Disposals	(783,703)	-	(179,261)	(962,964)
At 30 September 2018	18,164,540	749,083	1,739,791	20,653,414
Depreciation and impairment				
At 1 October 2017	10,422,648	606,507	852,656	11,881,811
Depreciation charged in the year	1,365,921	42,331	213,300	1,621,552
Eliminated in respect of disposals	(691,702)	-	(160,129)	(851,831)
At 30 September 2018	11,096,867	648,838	905,827	12,651,532
Carrying amount				
At 30 September 2018	7,067,673	100,245	833,964	8,001,882
At 30 September 2017	6,613,560	92,165	743,958	7,449,683

HYDRAINER PUMP HIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2018

9 Tangible fixed assets

(Continued)

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

	2018 £	2017 £
Plant and equipment	3,029,890	3,401,296
Motor vehicles	604,197	594,536
	<u>3,634,087</u>	<u>3,995,832</u>
Depreciation charge for the year in respect of leased assets	<u>409,058</u>	<u>489,133</u>

10 Financial instruments

	2018 £	2017 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	<u>2,363,655</u>	<u>2,312,753</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>8,573,017</u>	<u>9,105,918</u>

11 Stocks

	2018 £	2017 £
Raw materials and consumables	<u>1,295,973</u>	<u>1,175,094</u>

12 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	2,363,655	2,312,753
Prepayments and accrued income	206,740	120,117
	<u>2,570,395</u>	<u>2,432,870</u>

HYDRAINER PUMP HIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2018

13 Creditors: amounts falling due within one year

	Notes	2018 £	2017 £
Obligations under finance leases	15	1,122,008	1,062,428
Trade creditors		431,591	532,609
Amounts owed to group undertakings		5,891,212	6,354,151
Corporation tax		41,218	179,803
Other creditors		182,297	256,627
Accruals and deferred income		100,584	144,093
		<u>7,768,910</u>	<u>8,529,711</u>

14 Creditors: amounts falling due after more than one year

	Notes	2018 £	2017 £
Obligations under finance leases	15	<u>845,325</u>	<u>756,010</u>

15 Finance lease obligations

	2018 £	2017 £
Future minimum lease payments due under finance leases:		
Within one year	1,122,008	1,062,428
In two to five years	845,325	756,010
	<u>1,967,333</u>	<u>1,818,438</u>

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

The finance lease obligations are secured by the underlying assets to which they relate.

16 Provisions for liabilities

	Notes	2018 £	2017 £
Deferred tax liabilities	17	<u>312,000</u>	<u>334,725</u>

HYDRAINER PUMP HIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2018

17 Deferred taxation

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

	Liabilities 2018 £	Liabilities 2017 £
Balances:		
Accelerated capital allowances	312,000	334,725
	<u> </u>	<u> </u>
Movements in the year:		2018 £
Liability at 1 October 2017		334,725
Credit to profit or loss		(22,725)
		<u> </u>
Liability at 30 September 2018		312,000
		<u> </u>

The deferred tax liability set out above is expected to reverse and relates to accelerated capital allowances that are expected to mature within the same period.

18 Retirement benefit schemes

	2018 £	2017 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	35,943	28,475
	<u> </u>	<u> </u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

19 Share capital

	2018 £	2017 £
Ordinary share capital		
Authorised		
100,000 Ordinary shares of £1 each	100,000	100,000
	<u> </u>	<u> </u>
Issued and fully paid		
100,000 Ordinary shares of £1 each	100,000	100,000
	<u> </u>	<u> </u>
	100,000	100,000
	<u> </u>	<u> </u>

HYDRAINER PUMP HIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2018

20 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2018 £	2017 £
Within one year	226,738	247,027
Between two and five years	423,527	590,399
In over five years	227,981	279,430
	<u>878,246</u>	<u>1,116,856</u>

21 Related party transactions

The company has taken advantage of the exemption in section 33.1A of FRS 102 not to disclose transactions with wholly-owned group companies.

22 Controlling party

The Company is a wholly owned subsidiary undertaking of Hydrainer Holdings Limited, a company incorporated in England and registered in England and Wales. The Ultimate Parent is Orrmac (No 50) Limited, a company incorporated in Scotland. Orrmac (No 50) Limited is the parent undertaking of the only group of undertakings for which group financial statements are drawn up and of which Hydrainer Pump Hire Limited is a member. These group financial statements are available to the public from Companies House.

23 Cash generated from operations

	2018 £	2017 £
Profit for the year after tax	770,623	940,987
Adjustments for:		
Taxation charged	118,554	228,624
Finance costs	53,298	46,120
Gain on disposal of tangible fixed assets	(123,713)	(116,927)
Depreciation and impairment of tangible fixed assets	1,621,552	1,551,945
Movements in working capital:		
(Increase) in stocks	(120,879)	(36,069)
(Increase) in debtors	(137,525)	(209,661)
(Decrease)/increase in creditors	(681,796)	530,944
Cash generated from operations	<u>1,500,114</u>	<u>2,935,963</u>