

Company Registration No. SC219628 (Scotland)

Whyte Crane Hire Limited

Annual report and financial statements

for the year ended 30 June 2016



Whyte Crane Hire Limited

Company information

Directors	Lawrence Whyte Caron Whyte Mark Syme	(Appointed 14 April 2016) (Appointed 1 December 2015)
Secretary	Caron Whyte	
Company number	SC219628	
Registered office	Tipperty Industrial Centre Tipperty Ellon Aberdeenshire AB41 8LZ	
Auditor	Henderson Loggie The Vision Building 20 Greenmarket Dundee DD1 4QB	
Bankers	Clydesdale Bank Plc The Square Mintlaw AB52 5EH	

Whyte Crane Hire Limited

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Whyte Crane Hire Limited

Strategic report

for the year ended 30 June 2016

The directors present the strategic report for the year ended 30 June 2016.

Fair review of the business

The directors are pleased to report on a positive performance of the company both in terms of increased sales and profitability.

The company has traded profitably during the year, with the winter months showing an expected slowdown in business which is typical in the crane hire sector.

At the end of the year the company's balance sheet reflects an increase in net asset values, along with current assets and liabilities that are under control. The company continues to invest in its modern fleet of mobile cranes to serve the market.

The company is expecting the current level of oil and gas activity to improve a little in 2017, but in the meantime the focus for growth is still on the wind turbine sector, both on construction and maintenance of existing assets.

The company reviews its monthly financial performance in terms of profitability, balance sheet position, cash flow and rental asset utilisation.

Principal risks and uncertainties

Historically most of the business is from short term contracts, but there is now an increase in longer term commitments for renewables activity, mainly involving the heavy crane fleet. Matching the availability of cranes to the market remains a challenge, but the company has the option to rehire cranes from other suppliers to maintain customer continuity.

Strategically the company has developed ongoing long-term relationships with major companies in the renewable and oil and gas (both upstream and downstream) sectors.

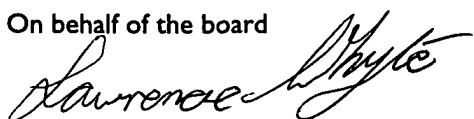
The financial performance of each crane is continually monitored, and any decision regarding the disposal of any surplus or aging asset is made in a timely manner.

Key performance indicators

The company produces regular forecasts and reports upon the financial performance against these on a monthly basis. The key performance indicators below show significant improvement in results following the demerger of the business in 2014:

Year to 30th June	2016	2015	2014
Turnover	£11.99M	£8.10M	£8.14M
Gross Profit	£ 3.11M	£1.85M	£2.92M
Operating Profit	£ 2.02M	£1.20M	£1.70M

On behalf of the board



Lawrence Whyte

Director

15 December 2016

Whyte Crane Hire Limited

Directors' report

for the year ended 30 June 2016

The directors present their annual report and financial statements for the year ended 30 June 2016.

Principal activities

The principal activity of the company continued to be the provision of crane hire services.

Directors

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

Lawrence Whyte

Caron Whyte

Mark Syme

(Appointed 14 April 2016)

(Appointed 1 December 2015)

Results and dividends

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

During the year ordinary dividends of £208,000 were paid.

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



Lawrence Whyte

Director

15 December 2016

Whyte Crane Hire Limited

Directors' responsibilities statement

for the year ended 30 June 2016

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;
- 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.

Whyte Crane Hire Limited

Independent auditor's report

to the members of Whyte Crane Hire Limited

We have audited the financial statements of Whyte Crane Hire Limited for the year ended 30 June 2016 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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.

Respective responsibilities of directors and auditor

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2016 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion 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.

Whyte Crane Hire Limited

Independent auditor's report (continued)

to the members of Whyte Crane Hire Limited

Matters on which we are required to report by exception

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.

Henderson Loggie

**Gavin Black (Senior Statutory Auditor)
for and on behalf of Henderson Loggie**

15 December 2016

**Chartered Accountants
Statutory Auditor**

**The Vision Building
20 Greenmarket
Dundee
DD1 4QB**

Whyte Crane Hire Limited**Statement of comprehensive income****for the year ended 30 June 2016**

		2016	2015
	Notes	£	£
Turnover	3	11,991,017	8,102,487
Cost of sales		(8,879,325)	(6,250,832)
Gross profit		3,111,692	1,851,655
Administrative expenses		(1,208,360)	(1,178,704)
Other operating income		115,230	532,497
Operating profit	4	2,018,562	1,205,448
Interest payable and similar charges	7	(969,427)	(778,673)
Profit before taxation		1,049,135	426,775
Taxation	8	(214,984)	(92,290)
Profit for the financial year	19	834,151	334,485

The profit and loss account has been prepared on the basis that all operations are continuing operations.

Whyte Crane Hire Limited**Balance sheet****as at 30 June 2016**

	Notes	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	10	22,376,976		16,318,001	
Current assets					
Debtors	11	5,311,673		2,420,930	
Cash at bank and in hand		422,809		489,012	
		5,734,482		2,909,942	
Creditors: amounts falling due within one year	12	(8,827,003)		(5,665,830)	
Net current liabilities		(3,092,521)		(2,755,888)	
Total assets less current liabilities		19,284,455		13,562,113	
Creditors: amounts falling due after more than one year	13	(13,812,396)		(8,935,893)	
Provisions for liabilities	16	(1,848,841)		(1,629,153)	
Net assets		3,623,218		2,997,067	
Capital and reserves					
Called up share capital	18	100		100	
Profit and loss reserves	19	3,623,118		2,996,967	
Total equity		3,623,218		2,997,067	

The financial statements were approved by the board of directors and authorised for issue on 15 December 2016 and are signed on its behalf by:



Lawrence Whyte
Director

Company Registration No. SC219628

Whyte Crane Hire Limited**Statement of changes in equity****for the year ended 30 June 2016**

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 July 2014		100	2,712,482	2,712,582
Year ended 30 June 2015:				
Profit and total comprehensive income for the year		-	334,485	334,485
Dividends	9	-	(50,000)	(50,000)
Balance at 30 June 2015		100	2,996,967	2,997,067
Year ended 30 June 2016:				
Profit and total comprehensive income for the year		-	834,151	834,151
Dividends	9	-	(208,000)	(208,000)
Balance at 30 June 2016		100	3,623,118	3,623,218

Whyte Crane Hire Limited

Notes to the financial statements

for the year ended 30 June 2016

1 Accounting policies

Company information

Whyte Crane Hire Limited is a company limited by shares incorporated in Scotland. The registered office is Tippet Industrial Centre, Tippet, Ellon, Aberdeenshire, AB41 8LZ.

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.

These financial statements for the year ended 30 June 2016 are the first financial statements of Whyte Crane Hire Limited prepared in accordance with FRS 102, The Financial-Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 July 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

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

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Whyte Cranes Holding Limited. These consolidated financial statements are available from its registered office.

Whyte Crane Hire Limited

Notes to the financial statements (continued)

for the year ended 30 June 2016

1 Accounting policies (continued)

1.2 Going concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Review on page 1. As at 30 June 2016, the company had net current liabilities of £3,092,521 (2015 - £2,755,888). This includes £3,856,177 (2015 - £2,547,453) of hire purchase capital repayments due within 12 months of the year end.

The company regularly reviews the activity and deployment of each component of its fleet to ensure that cash is being generated in excess of the capital repayments on the associated hire purchase agreements. If a downturn in the business was to be experienced, the company would be able to sell fleet that was not sufficiently utilised in the second hand market and thereby remove the future cash outflows from the associated finance payments.

The company also operates an invoice discounting facility for working capital purposes. This, additional financial resources and forecast profitable trade across a number of different geographic areas and industries has led the directors to believe that the company is well placed to manage its business risks successfully.

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

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for 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:

Land and buildings Freehold	2% straight line
Land and buildings Leasehold	20% reducing balance
Plant and machinery	10% - 20% reducing balance
Fixtures, fittings & equipment	20% reducing balance
Motor vehicles	20% reducing balance

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.

Whyte Crane Hire Limited

Notes to the financial statements (continued)

for the year ended 30 June 2016

1 Accounting policies (continued)

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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

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

1.6 Cash and cash equivalents

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

1.7 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 statement of financial position 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.

Whyte Crane Hire Limited

Notes to the financial statements (continued)

for the year ended 30 June 2016

1 Accounting policies (continued)

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.

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.

Whyte Crane Hire Limited

Notes to the financial statements (continued)

for the year ended 30 June 2016

1 Accounting policies (continued)

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 receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

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

Other financial liabilities

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

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

Derecognition of financial liabilities

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

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Whyte Crane Hire Limited

Notes to the financial statements (continued)

for the year ended 30 June 2016

1 Accounting policies (continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Employee benefits

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

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

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

1.11 Retirement benefits

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

1.12 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.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

Whyte Crane Hire Limited

Notes to the financial statements (continued)

for the year ended 30 June 2016

1 Accounting policies (continued)

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.

1.13 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.

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.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Useful lives of tangible assets

As part of the investment process the Directors are required to assess the useful lives of these assets to accurately apply depreciation. These estimates are based on comparable depreciation rates applied by others in the same sector and the directors' own knowledge and experience built up over many years.

Accruals

Management estimate requirements for accruals using post year end information and information available from detailed budgets. This identifies costs and income that are expected to be incurred or received for good/services provided by and to other parties. Accruals are only released when there is a reasonable expectation that these costs will not be invoiced in the future.

Whyte Crane Hire Limited

Notes to the financial statements (continued)

for the year ended 30 June 2016

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2016	2015
	£	£
Turnover		
Crane hire	11,991,017	8,048,787
Cargo handling	-	53,700
	<u>11,991,017</u>	<u>8,102,487</u>

Turnover analysed by geographical market

	2016	2015
	£	£
United Kingdom	<u>11,991,017</u>	<u>8,102,487</u>

4 Operating profit

	2016	2015
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange gains	(34,695)	-
Fees payable to the company's auditor for the audit of the company's financial statements	8,700	8,300
Depreciation of owned tangible fixed assets	289,436	196,253
Depreciation of tangible fixed assets held under finance leases	1,665,492	1,524,970
(Profit)/loss on disposal of tangible fixed assets	(230,813)	85,935
Operating lease charges	<u>282,810</u>	<u>105,245</u>

5 Employees

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

	2016	2015
	Number	Number
Employees	60	53
Directors	3	1
	<u>63</u>	<u>54</u>

Whyte Crane Hire Limited

Notes to the financial statements (continued)

for the year ended 30 June 2016

5 Employees (continued)

Their aggregate remuneration comprised:

	2016 £	2015 £
Wages and salaries	3,117,136	2,573,807
Social security costs	363,827	313,013
Pension costs	49,825	24,215
	<u>3,530,788</u>	<u>2,911,035</u>

6 Directors' remuneration

	2016 £	2015 £
Remuneration for qualifying services	77,167	39,500
Company pension contributions to defined contribution schemes	19,841	12,000
	<u>97,008</u>	<u>51,500</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2015 - 1).

7 Interest payable and similar charges

	2016 £	2015 £
Interest on bank overdrafts and loans	1,808	1,729
Interest on finance leases and hire purchase contracts	845,249	672,309
Other interest	122,370	104,635
	<u>969,427</u>	<u>778,673</u>

8 Taxation

	2016 £	2015 £
Current tax		
UK corporation tax on profits for the current period	-	34,992
Adjustments in respect of prior periods	(4,704)	-
	<u>(4,704)</u>	<u>34,992</u>

Whyte Crane Hire Limited

Notes to the financial statements (continued)

for the year ended 30 June 2016

8 Taxation (continued)

Deferred tax

Origination and reversal of timing differences	214,732	60,569
Adjustment in respect of prior periods	4,956	(3,271)
	<u>219,688</u>	<u>57,298</u>
Total deferred tax		
	<u>214,984</u>	<u>92,290</u>

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

	2016 £	2015 £
Profit before taxation	<u>1,049,135</u>	<u>426,775</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.00%)	209,827	85,355
Tax effect of expenses that are not deductible in determining taxable profit	2,319	3,536
Adjustments in respect of prior years	(4,704)	-
Effect of change in corporation tax rate	-	1,305
Depreciation on assets not qualifying for tax allowances	1,929	1,808
Other permanent differences	657	4,638
Under/(over) provided in prior years	4,956	(3,271)
Tax at marginal rate	-	(1,081)
	<u>214,984</u>	<u>92,290</u>
Tax expense for the year		

9 Dividends

	2016 £	2015 £
Interim paid	<u>208,000</u>	<u>50,000</u>

Whyte Crane Hire Limited

Notes to the financial statements (continued)

for the year ended 30 June 2016

10 Tangible fixed assets

	Land and buildings Freehold	Land and buildings Leasehold	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 July 2015	962,795	99,130	19,015,722	194,523	1,331,288	21,603,458
Additions	19,800	-	11,010,418	13,347	583,907	11,627,472
Disposals	-	-	(5,430,112)	-	(156,359)	(5,586,471)
At 30 June 2016	982,595	99,130	24,596,028	207,870	1,758,836	27,644,459
Depreciation and impairment						
At 1 July 2015	41,074	64,827	4,300,567	143,614	735,375	5,285,457
Depreciation charged in the year	9,645	6,860	1,788,770	10,579	139,074	1,954,928
Eliminated in respect of disposals	-	-	(1,862,859)	-	(110,043)	(1,972,902)
At 30 June 2016	50,719	71,687	4,226,478	154,193	764,406	5,267,483
Carrying amount						
At 30 June 2016	931,876	27,443	20,369,550	53,677	994,430	22,376,976
At 30 June 2015	921,721	34,303	14,715,155	50,909	595,913	16,318,001

Whyte Crane Hire Limited

Notes to the financial statements (continued)

for the year ended 30 June 2016

10 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.

	2016 £	2015 £
Plant and machinery	19,679,298	14,470,440
Motor vehicles	827,275	416,277
	<u>20,506,573</u>	<u>14,886,717</u>
Depreciation charge for the year in respect of leased assets	<u>1,665,492</u>	<u>1,524,970</u>

Included in land and buildings is land at a cost of £494,153 (2015 - £494,153) which is not depreciated.

11 Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Trade debtors	3,677,466	2,345,915
Other debtors	436,056	4,780
Prepayments and accrued income	1,198,151	70,235
	<u>5,311,673</u>	<u>2,420,930</u>

The company uses invoice discounting for the majority of its invoiced sales. Charges for this service in the year amounted to £122,370 (2015 - £104,635).

Whyte Crane Hire Limited

Notes to the financial statements (continued)

for the year ended 30 June 2016

12 Creditors: amounts falling due within one year

	Notes	2016 £	2015 £
Obligations under finance leases	15	3,856,177	2,547,453
Other borrowings	14	170,851	249,996
Trade creditors		1,788,640	572,999
Amounts due to group undertakings		21,143	-
Corporation tax		-	35,541
Other taxation and social security		120,139	586,947
Accruals and deferred income		2,870,053	1,672,894
		<u>8,827,003</u>	<u>5,665,830</u>

Accruals and deferred income includes £1,956,977 (2015 - £1,469,897) received from invoice discounting. The invoice discounting facility is secured over the company's sales ledger.

The net obligations under finance leases are secured over the assets to which they relate.

13 Creditors: amounts falling due after more than one year

	Notes	2016 £	2015 £
Obligations under finance leases	15	13,812,396	8,765,054
Other borrowings	14	-	170,839
		<u>13,812,396</u>	<u>8,935,893</u>

14 Loans and overdrafts

	2016 £	2015 £
Other loans	<u>170,851</u>	<u>420,835</u>
Payable within one year	170,851	249,996
Payable after one year	<u>-</u>	<u>170,839</u>

Other loans is a loan from William and Jennifer Whyte agreed as part of the demerger process in 2014. The loan is repayable in monthly instalments and is due to be repaid in full by February 2017, with no interest being charged on it. This loan is secured by a floating charge over the assets of the company.

Whyte Crane Hire Limited

Notes to the financial statements (continued)

for the year ended 30 June 2016

15 Finance lease obligations

	2016	2015
	£	£
Future minimum lease payments due under finance leases:		
Within one year	3,856,177	2,547,453
In two to five years	12,061,672	7,654,904
In over five years	1,750,724	1,110,150
	<u>17,668,573</u>	<u>11,312,507</u>

Finance lease payments represent amounts payable by the company for certain items of plant and machinery. No restrictions are placed on the use of the assets. The average lease term is 5 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

16 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2016	Liabilities 2015
	£	£
Balances:		
Accelerated capital allowances	1,906,990	1,664,794
Tax losses	(58,149)	(35,641)
	<u>1,848,841</u>	<u>1,629,153</u>
Movements in the year:		2016
		£
Liability at 1 July 2015		1,629,153
Charge to profit or loss		219,688
Liability at 30 June 2016		<u>1,848,841</u>

Whyte Crane Hire Limited

Notes to the financial statements (continued)

for the year ended 30 June 2016

17 Retirement benefit schemes

	2016	2015
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	49,825	24,215

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.

18 Share capital

	2016	2015
	£	£
Ordinary share capital		
Issued and fully paid		
100 ordinary shares of £1 each	100	100

Each ordinary share carries one vote and is entitled to participate pari passu with other ordinary shares in any dividend or capital distribution.

19 Profit and loss reserves

Profit and loss reserves include all current and prior year retained profit and losses.

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:

	2016	2015
	£	£
Within one year	208,755	56,938
Between two and five years	168,600	59,854
	377,355	116,792

Whyte Crane Hire Limited

Notes to the financial statements (continued)

for the year ended 30 June 2016

21 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2016 £	2015 £
Acquisition of property, plant and equipment	<u>249,354</u>	<u>3,535,400</u>

22 Related party transactions

Transactions with related parties

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

	Sale of goods		Purchase of goods	
	2016 £	2015 £	2016 £	2015 £
Other related parties	<u>9,030</u>	<u>16,116</u>	<u>12,945</u>	<u>36,180</u>

The following amounts were outstanding at the reporting end date:

	Amounts owed to related parties	
	2016 £	2015 £
Other related parties	<u>-</u>	<u>6,561</u>

The following amounts were outstanding at the reporting end date:

	Amounts owed by related parties		Amounts owed by related parties	
	2016		2015	
	Balance £	Net £	Balance £	Net £
Other related parties	<u>-</u>	<u>-</u>	<u>8,691</u>	<u>8,691</u>
	<u>-</u>	<u>-</u>	<u>8,691</u>	<u>8,691</u>

No guarantees have been given or received.

Whyte Crane Hire Limited

Notes to the financial statements (continued)

for the year ended 30 June 2016

23 Controlling party

The company is a wholly owned subsidiary of Whyte Cranes Holding Limited, a company incorporated in Great Britain and registered in Scotland.

The company is controlled by Lawrence Whyte.