

Company Registration No. 7376100 (England and Wales)

**RIVERS LEASING LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**KLSA**  
Chartered Accountants

**PKF**  
Member firm of PKF International Ltd

TUESDAY



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# RIVERS LEASING LIMITED

## COMPANY INFORMATION

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<b>Director</b>	R Daryani
<b>Secretary</b>	R Daryani
<b>Company number</b>	7376100
<b>Registered office</b>	Amba House 15 College Road Harrow Middlesex HA1 1BA
<b>Auditor</b>	KLSA LLP 28-30 St. John's Square London EC1M 4DN
<b>Bankers</b>	Barclays Plc 355 Station Road Harrow HA1 2AN
<b>Solicitors</b>	Bermans LLP Cardinal House 20 St Mary's Prsonage Manchester M3 2LY

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# RIVERS LEASING LIMITED

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# RIVERS LEASING LIMITED

## DIRECTOR'S REPORT

**FOR THE YEAR ENDED 31 MARCH 2017**

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The director presents his report and the financial statements for the year ended 31 March 2017.

### **Principal activities**

The Company's principal activity during the year was that of equipment leasing and the provision of business loans.

### **Director**

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

R Daryani

### **Results and dividends**

The profit for the year, after taxation, amounted to £111,923 (2016: £149,813).

The directors are satisfied with the financial performance of the business and expect increased profits in the future years.

Ordinary dividends were paid amounting to £50,000. The Directors do not recommend payment of a further dividend for the current financial year.

In March 2016 the company listed its £6 million Loan Note Programme on the Bermuda Stock Exchange and in January 2017 the Programme limit was increased to £12 million and now permits the financing of additional types of finance agreements. In May 2016 the company was granted full permission by the Financial Conduct Authority.

### **Auditor**

BDO LLP resigned as auditors during the year and KLSA LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

### **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



R Daryani

Director

30 June 2017

# **RIVERS LEASING LIMITED**

## **DIRECTOR'S RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 31 MARCH 2017***

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

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless she is 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 director is 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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. She is 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.

# **RIVERS LEASING LIMITED**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF RIVERS LEASING LIMITED**

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We have audited the financial statements of Rivers Leasing Limited for the year ended 31 March 2017 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 director and auditor**

As explained more fully in the Director's Responsibilities Statement, the director is 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 Financial Reporting Council's (FRC'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 director; 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 31 March 2017 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, based on the work undertaken in the course of our audit, the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and the Director's Report has been prepared in accordance with applicable legal requirements.

# RIVERS LEASING LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF RIVERS LEASING LIMITED

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### **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.
- The directors were not entitled to prepare the financial statements and the directors' report accordance with the small companies regime and to the exemption from the requirement to prepare a strategic report.

*KLSA LLP*

**Shilpa Chheda (Senior Statutory Auditor)**  
**for and on behalf of KLSA LLP**  
**Chartered Accountants**  
**Statutory Auditor**  
**28-30 St. John's Square**  
**London**  
**EC1M 4DN**

30 June 2017

# RIVERS LEASING LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2017

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	Notes	2017 £	2016 £
Turnover	3	1,989,774	1,302,406
Cost of sales		(472,444)	(292,180)
<b>Gross profit</b>		<u>1,517,330</u>	<u>1,010,226</u>
Administrative expenses		(548,604)	(379,760)
<b>Operating profit</b>	4	<u>968,726</u>	<u>630,466</u>
Interest payable and similar expenses	6	(802,284)	(513,596)
<b>Profit before taxation</b>		<u>166,442</u>	<u>116,870</u>
Taxation	7	(54,519)	32,943
<b>Profit for the financial year</b>		<u><u>111,923</u></u>	<u><u>149,813</u></u>

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



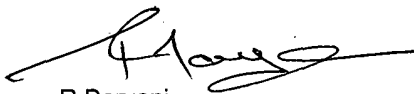
# RIVERS LEASING LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017		2016	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	9		4,910		8,934
<b>Current assets</b>					
Debtors falling due after one year	10	6,889,103		5,169,321	
Debtors falling due within one year	10	5,163,888		3,261,635	
Cash at bank and in hand		121,880		215,605	
		<u>12,174,871</u>		<u>8,646,561</u>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(4,290,670)</u>		<u>(2,658,484)</u>	
<b>Net current assets</b>			<u>7,884,201</u>		<u>5,988,077</u>
<b>Total assets less current liabilities</b>			<u>7,889,111</u>		<u>5,997,011</u>
<b>Creditors: amounts falling due after more than one year</b>	12		7,533,465		5,757,807
<b>Provisions for liabilities</b>	15		54,519		-
<b>Capital and reserves</b>					
Called up share capital	17		1,000		1,000
Profit and loss reserves			300,127		238,204
			<u>7,889,111</u>		<u>5,997,011</u>

The financial statements were approved and signed by the director and authorised for issue on 30 June 2017



R Daryani  
Director

Company Registration No. 7376100

# RIVERS LEASING LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2017

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	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 April 2015		1,000	88,391	89,391
<b>Year ended 31 March 2016:</b>				
Profit and total comprehensive income for the year		-	149,813	149,813
<b>Balance at 31 March 2016</b>		<u>1,000</u>	<u>238,204</u>	<u>239,204</u>
<b>Year ended 31 March 2017:</b>				
Profit and total comprehensive income for the year		-	111,923	111,923
Dividends	8	-	(50,000)	(50,000)
<b>Balance at 31 March 2017</b>		<u>1,000</u>	<u>300,127</u>	<u>301,127</u>

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# RIVERS LEASING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

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### 1 Accounting policies

#### Company information

Rivers Leasing Limited is a private company limited by shares incorporated in England and Wales. The registered office is Amba House, 15 College Road, Harrow, Middlesex, HA1 1BA.

#### 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 £.

#### 1.2 Going concern

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

#### 1.3 Turnover

Assets leased to customers on finance lease are recognised on the basis of the net investment in the lease. Finance lease income is allocated to accounting periods to give a constant periodic rate of return to the company's net cash investment in the lease in each period recognised on a sum of digit basis. Document fees and charges are accounted for when receivable.

#### 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. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the profit or loss during the period in which they are incurred.

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	33.33% straight line basis
Fixtures and fittings	33.33% straight line basis

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

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.

# RIVERS LEASING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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### 1 Accounting policies

(Continued)

#### 1.5 Borrowing costs

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

#### 1.6 Cash and cash equivalents

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

#### 1.7 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to the related parties and investments in the non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade receivable or payable, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instruments constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment is found, an impairment loss is recognised in the income statement.

For financial asset measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring an impairment loss is the current effective interest rate determined under the contract

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset, and the net amounts reported in the balance sheet 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 short term debtors and cash and bank balances.

#### **Debtors**

Short term debtors are measured at transaction price, less any impairment. Loan receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

# RIVERS LEASING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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### 1 Accounting policies

(Continued)

#### **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.

#### **Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

### 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.

#### **Deferred tax**

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

# RIVERS LEASING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 1 Accounting policies

(Continued)

#### 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 Finance costs

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

### 2 Judgements and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgments:

- Determine whether leases entered into by the group either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

- The recoverability of debtors is reviewed on a monthly basis and a provision is made for debtors that have defaulted and there is limited likelihood to recover the debt from a guarantor or from the sale of any repossessed asset. These provisions require judgements to be made which include the likelihood of recovery and cost of sale of the asset.

### 3 Turnover and other revenue

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

	2017	2016
	£	£
Turnover	1,989,774	1,302,406

All turnover arose within the United Kingdom.

### 4 Operating profit

	2017	2016
	£	£
Operating profit for the year is stated after charging/(crediting):		
Fees payable to the company's auditor for the audit of the company's financial statements	10,000	10,000
Depreciation of owned tangible fixed assets	8,930	12,280

# RIVERS LEASING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 5 Employees

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

	2017 Number	2016 Number
Average number of employees	8	6

Their aggregate remuneration comprised:

	2017 £	2016 £
Wages and salaries	172,602	115,243
Social security costs	12,934	11,542
	<u>185,536</u>	<u>126,785</u>

### 6 Interest payable and similar expenses

	2017 £	2016 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	2,143	4,068
<b>Other finance costs:</b>		
Finance costs	800,141	509,528
	<u>802,284</u>	<u>513,596</u>

### 7 Taxation

	2017 £	2016 £
<b>Deferred tax</b>		
Origination and reversal of timing differences	54,519	(32,943)

# RIVERS LEASING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 7 Taxation

(Continued)

The actual charge/(credit) 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:

	2017 £	2016 £
Profit before taxation	166,442	116,870
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2016: 20.00%)	33,288	23,374
Permanent capital allowances in excess of depreciation	65,318	(23,374)
Short term timing difference leading to (decrease) in taxation	54,519	(32,943)
Unrelieved tax losses brought forward	(99,357)	-
Other timing differences leading to an increase in taxation	751	-
Taxation charge/(credit) for the year	54,519	(32,943)

At 31 March 2017 the company had tax losses amounting to £393,392 (2016: £890,180) which are available to be carried forward and offset against future trading profits. Deferred tax asset on the loss has been set off against deferred tax liability on capital allowances.

### 8 Dividends

	2017 £	2016 £
Final paid	50,000	-



# RIVERS LEASING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 9 Tangible fixed assets

	Plant and equipment £	Fixtures and fittings £	Total £
<b>Cost</b>			
At 1 April 2016	7,228	39,713	46,941
Additions	-	4,907	4,907
At 31 March 2017	<u>7,228</u>	<u>44,620</u>	<u>51,848</u>
<b>Depreciation and impairment</b>			
At 1 April 2016	7,228	30,780	38,008
Depreciation charged in the year	-	8,930	8,930
At 31 March 2017	<u>7,228</u>	<u>39,710</u>	<u>46,938</u>
<b>Carrying amount</b>			
At 31 March 2017	<u>-</u>	<u>4,910</u>	<u>4,910</u>
At 31 March 2016	<u>-</u>	<u>8,934</u>	<u>8,934</u>

### 10 Debtors

	2017 £	2016 £
<b>Amounts falling due within one year:</b>		
Trade debtors	4,628,778	2,972,799
Other debtors	7,449	51,550
Prepayments and accrued income	527,661	237,286
	<u>5,163,888</u>	<u>3,261,635</u>
<b>Amounts falling due after more than one year:</b>		
Trade debtors	<u>6,889,103</u>	<u>5,169,321</u>
<b>Total debtors</b>	<u>12,052,991</u>	<u>8,430,956</u>

Included within debtors is £93,962 (2016: £84,248) of assets purchased for the purpose of letting under finance leases for which the lease commences shortly after 31 March 2017.

# RIVERS LEASING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 10 Debtors

(Continued)

Included within trade debtors are net investments in finance leases and loans as analysed below:

	2017 £	2016 £
<b>Gross receivables from finance leases and loans:</b>		
No later than 1 year	6,099,424	4,521,407
Later than 1 year and no later than 5 years	8,188,970	5,379,815
Unearned future finance income on finance leases and loans	(2,820,513)	(1,809,102)
	<u>11,467,881</u>	<u>8,092,120</u>

The finance leases are receivable as follows:

	2017 £	2016 £
No later than 1 year	4,578,778	2,922,799
Later than 1 year and no later than 5 years	6,889,103	5,169,321
	<u>11,467,881</u>	<u>8,092,120</u>

The cost of assets acquired for the purpose of letting under finance leases and loans was £8,257,626 (2016: £6,339,742).

All amounts are secured on the assets to which they relate.

### 11 Creditors: amounts falling due within one year

	Notes	2017 £	2016 £
Other borrowings	13	3,922,723	2,272,387
Trade creditors		195,543	195,306
Other taxation and social security		11,849	8,559
Other creditors		14,564	10,929
Accruals and deferred income		145,991	171,303
		<u>4,290,670</u>	<u>2,658,484</u>

The bank overdraft is secured by GH Daryani & Co Limited.

# RIVERS LEASING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 12 Creditors: amounts falling due after more than one year

	Notes	2017 £	2016 £
Other loans	13	5,526,664	3,778,216
Amounts due to group undertakings		2,006,801	1,979,591
		<u>7,533,465</u>	<u>5,757,807</u>

### 13 Loans and overdrafts

	2017 £	2016 £
Other loans	9,449,387	6,050,603
Payable within one year	3,922,723	2,272,387
Payable after one year	5,526,664	3,778,216
	<u>9,449,387</u>	<u>6,050,603</u>
	<u>3,922,723</u>	<u>2,272,387</u>
	<u>5,526,664</u>	<u>3,778,216</u>

Other loans due within and after more than one year include £3,362,678 (2016: £1,764,718) secured by a debenture dated 2 January 2015 and a guarantee from the parent company, Rivers Finance Group Plc; and £3,056 (2016: £27,429) secured by guarantee from the director, R Daryani. Other loans due within and after more than one year of £2,015,616 (2016: £1,153,661) are unsecured.

Included within other loans are discounting loan facilities which are secured by the assignment of certain trade debtors of the company. The parent company, Rivers Finance Group Plc, and the director, R Daryani, have provided guarantees in respect of these loans.

The amounts owed to group undertakings are unsecured but are not interest free.

### 14 Financial instruments

	2017 £	2016 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	11,639,761	8,391,973
	<u>11,639,761</u>	<u>8,391,973</u>
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	11,812,286	8,407,732
	<u>11,812,286</u>	<u>8,407,732</u>

Financial assets measured at amortised cost comprise cash, trade debtors and other debtors relating to finance lease.

Finance liabilities measured at amortised cost comprise bank overdrafts, loans and trade creditors, other creditors, accruals and amounts owed to group undertakings.

# RIVERS LEASING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 15 Provisions for liabilities

	Notes	2017 £	2016 £
Deferred tax liabilities	16	54,519	-
		<u>54,519</u>	<u>-</u>

### 16 Deferred taxation

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

	Liabilities 2017 £	Liabilities 2016 £
<b>Balances:</b>		
Accelerated capital allowances	121,396	-
Tax losses	(66,877)	-
	<u>54,519</u>	<u>-</u>
<b>Movements in the year:</b>		2017 £
Liability at 1 April 2016		-
Charge to profit or loss		54,519
Liability at 31 March 2017		<u>54,519</u>

### 17 Share capital

	2017 £	2016 £
Ordinary share capital Issued and fully paid 1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

# RIVERS LEASING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 31 MARCH 2017*

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### **18 Ultimate parent undertaking and controlling party**

The ultimate parent undertaking is Rivers Finance Group Plc by virtue of its holding of 100% of the issued share capital of the company, and by virtue of the control exercised by that company over the finance and business decisions made.

The ultimate controlling party is R Daryani, by virtue of his majority shareholding in the parent company.

# RIVERS LEASING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2017

#### 19 Related party transactions

##### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2017	2016
	£	£
Aggregate compensation	<u>40,250</u>	<u>32,000</u>

##### Transactions with related parties

The company has taken advantage of the exemption available in FRS 102 (s33 "Related Party Disclosure"), whereby it has not disclosed transactions with other group companies.

Included within debtors due within one year is loan to Dexerto Limited amounting to £50,000 (2016: £50,000), related by virtue of common directorship.

Included within creditors due more than one year are loans from:

- Mr M Friend amounting to £Nil (2016: £150,000) on which interest of £12,000 (2016: £6,233) was charged for the year. Mr M Friend is a director of the group.
- Mr B Friend amounting to £322,000 (2016: £350,000) on which interest of £27,183 (2016: 21,700) was charged for the year. Mr B Friend is the son of the director of the group.

Included within creditors within one year is loan from Mr T Friend amounting to £91,436 (2016: £Nil) on which interest of £6,436 (2016: £Nil) was charged for the year. Mr T Friend is the brother of the director of the group.

Included within creditors is an amount of £200,000 (2016: £Nil) owed to Aquasource Algae Group Plc. Included within creditors due within one year is £17,000 (2016: £Nil) and included within creditors due after more than one year is £183,000 (2016: £Nil) on which interest of £5,513 (2016: £Nil) was charged for the year. Mr R Daryani is a shareholder of Aquasource Algae Group Plc.

Included within creditors is an amount of £241,667 (2016: £283,333) owed to Specialbalance Limited. Included within creditors due within one year is £133,333 (2016: £141,667) and included within creditors due after more than one year is £108,334 (2016: £141,666) on which interest of £23,907 (2016: £21,682) was charged for the year. Mr R Daryani is a shareholder of the holding company of Specialbalance Limited, Aquasource Algae Group Plc.

Other loans (Note 13) are secured by a cross guarantee from the director and the parent company Rivers Finance Group Plc.

Included within administrative expenses is an amount of £26,200 (2016: £22,467) relating to rent and service charges from GH Daryani & Co Limited, common by virtue of common shareholder.