

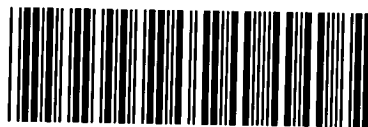
Company Registration No. 7376100 (England and Wales)

RIVERS LEASING PLC
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

KLSA
Chartered Accountants

PKF
Member firm of PKF International Ltd

TUESDAY



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30/07/2019
COMPANIES HOUSE

RIVERS LEASING PLC

COMPANY INFORMATION

Directors	R Daryani M D Friend S C Bassett
Secretary	J Nicholson
Company number	7376100
Registered office	Amba House 15 College Road Harrow Middlesex HA1 1BA
Auditor	KLSA LLP Kalamu House 11 Coldbath Square London EC1R 5HL
Bankers	Barclays Plc 355 Station Road Harrow HA1 2AN
Solicitors	Bermans LLP Cardinal House 20 St Mary's Prsonage Manchester M3 2LY

RIVERS LEASING PLC

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RIVERS LEASING PLC

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2019

The director presents his report and the financial statements for the year ended 31 March 2019.

Principal activities

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

Directors

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

R Daryani
M D Friend
S C Bassett

Results and dividends

The profit for the year, after taxation, amounted to £273,386 (2018: £153,037).

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 £96,835 (2018: £50,004). The Directors do not recommend payment of a further dividend for the current financial year.

In October 2018 the company increased the limit on its Bermuda Listed Stock Exchange listed Loan Note Programme to £25 million, and as previously reported had been increased in January 2017 to £12 million. The directors believe the company is making good progress achieving its strategy and is in good shape with sufficient funding lines and profit generation planned to increase in the future.

Auditor

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

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.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board


R Daryani
Director

1 July 2019

RIVERS LEASING PLC

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2019

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; and
- 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.

RIVERS LEASING PLC

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RIVERS LEASING PLC

Opinion

We have audited the financial statements of Rivers Leasing PLC (the 'company') for the year ended 31 March 2019 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity 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 31 March 2019 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

RIVERS LEASING PLC

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

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 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

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.

RIVERS LEASING PLC

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

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.

ICSA UP

Shilpa Chheda (Senior Statutory Auditor)
for and on behalf of KLSA LLP

1 July 2019

Chartered Accountants
Statutory Auditor

Kalamu House
11 Coldbath Square
London
EC1R 5HL

RIVERS LEASING PLC

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	2018 £
Turnover	3	3,884,408	2,937,271
Cost of sales		(1,276,916)	(766,972)
Gross profit		<u>2,607,492</u>	<u>2,170,299</u>
Administrative expenses		(1,048,996)	(854,492)
Operating profit	4	<u>1,558,496</u>	<u>1,315,807</u>
Interest payable and similar expenses	7	(1,217,721)	(1,038,599)
Profit before taxation		<u>340,775</u>	<u>277,208</u>
Tax on profit	8	(67,389)	(124,171)
Profit for the financial year		<u><u>273,386</u></u>	<u><u>153,037</u></u>

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

RIVERS LEASING PLC

BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019		2018	
		£	£	£	£
Fixed assets					
Tangible assets	10		7,279		13,582
Current assets					
Debtors falling due after one year	12	13,558,712		8,993,955	
Debtors falling due within one year	12	7,794,800		7,471,161	
Cash at bank and in hand		117,047		21,139	
		<u>21,470,559</u>		<u>16,486,255</u>	
Creditors: amounts falling due within one year	13	<u>(9,254,319)</u>		<u>(6,560,745)</u>	
Net current assets			12,216,240		9,925,510
Total assets less current liabilities			<u>12,223,519</u>		<u>9,939,092</u>
Creditors: amounts falling due after more than one year	14		11,538,726		9,430,851
Provisions for liabilities	16		55,081		55,081
Capital and reserves					
Called up share capital	19		50,000		50,000
Profit and loss reserves			579,712		403,160
			<u>12,223,519</u>		<u>9,939,092</u>

The financial statements were approved by the board of directors and authorised for issue on 1 July 2019 and are signed on its behalf by:



R Daryani
Director

Company Registration No. 7376100

RIVERS LEASING PLC

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 April 2017		1,000	300,127	301,127
Year ended 31 March 2018:				
Profit and total comprehensive income for the year		-	153,037	153,037
Issue of share capital	19	49,000	-	49,000
Dividends	9	-	(50,004)	(50,004)
Balance at 31 March 2018		50,000	403,160	453,160
Year ended 31 March 2019:				
Profit and total comprehensive income for the year		-	273,386	273,386
Dividends	9	-	(96,835)	(96,835)
Balance at 31 March 2019		50,000	579,711	629,711

RIVERS LEASING PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Company information

Rivers Leasing PLC is a limited company domiciled and 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 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

Assets leased to customers on finance lease are recognised on the basis of the net investment in the lease. Finance lease income are 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 an actuarial 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.

1.5 Borrowing costs

All other borrowing costs are recognised in profit or loss in the period in which they are incurred. Arrangement fees payable are recognised over the lending period of the debt.

RIVERS LEASING PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

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.

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.

RIVERS LEASING PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

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 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 transaction 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 PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

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 Retirement benefits

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

1.12 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. Commission fees paid to brokers are spread over 2 years.

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) made by the directors have had the most significant effect on amounts recognised in the financial statements.

Classification of leases

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.

Impairment of debtors

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.

RIVERS LEASING PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

2 Judgements and key sources of estimation uncertainty (Continued)

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Useful life of property, plant and equipment

Management reviews the useful lives and residual values of the items of property, plant and equipment on a regular basis. During the financial year, the directors determined no significant changes in the useful lives and residual values.

3 Turnover and other revenue

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

	2019 £	2018 £
Turnover	3,884,408	2,937,271

All turnover arose within the United Kingdom.

4 Operating profit

Operating profit for the year is stated after charging:

	2019 £	2018 £
Depreciation of owned tangible fixed assets	8,285	10,567

5 Auditor's remuneration

Fees payable to the company's auditor and associates:

	2019 £	2018 £
For audit services		
Audit of the financial statements of the company	10,000	10,000

6 Employees

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

	2019 Number	2018 Number
Average number of employees	13	12

RIVERS LEASING PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

6	Employees	(Continued)	
	Their aggregate remuneration comprised:		
		2019	2018
		£	£
	Wages and salaries	352,190	280,145
	Social security costs	34,916	24,881
	Pension costs	3,914	1,391
		<u>391,020</u>	<u>306,417</u>
		<u><u>391,020</u></u>	<u><u>306,417</u></u>
7	Interest payable and similar expenses	2019	2018
		£	£
	Interest on financial liabilities measured at amortised cost:		
	Interest on bank overdrafts and loans	11,340	7,355
	Other finance costs:		
	Finance costs	1,206,381	1,031,244
		<u>1,217,721</u>	<u>1,038,599</u>
		<u><u>1,217,721</u></u>	<u><u>1,038,599</u></u>
8	Taxation	2019	2018
		£	£
	Current tax		
	UK corporation tax on profits for the current period	67,389	123,609
		<u>67,389</u>	<u>123,609</u>
	Deferred tax		
	Origination and reversal of timing differences	-	562
		<u>-</u>	<u>562</u>
		<u><u>-</u></u>	<u><u>562</u></u>
	 Total tax charge	 67,389	 124,171
		<u><u>67,389</u></u>	<u><u>124,171</u></u>

RIVERS LEASING PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

8 Taxation

(Continued)

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:

	2019 £	2018 £
Profit before taxation	340,775	277,208
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	64,747	52,670
Permanent capital allowances in excess of depreciation	1,198	144,439
Short term timing difference leading to (decrease) in taxation	-	562
Unrelieved tax losses brought forward	-	(74,616)
Other timing differences leading to an increase in taxation	1,444	1,116
Taxation charge for the year	67,389	124,171

As a result of advice obtained, the company has elected to be taxed under long funding lease regime which allows the lessor to be taxed on the basis of the profits shown in the accounts and it removes the distortion of capital allowances.

9 Dividends

	2019 £	2018 £
Final paid	96,835	50,004

RIVERS LEASING PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

10 Tangible fixed assets

	Plant and equipment £	Fixtures and fittings £	Total £
Cost			
At 1 April 2018	7,228	63,859	71,087
Additions	-	1,982	1,982
At 31 March 2019	7,228	65,841	73,069
Depreciation and impairment			
At 1 April 2018	7,228	50,277	57,505
Depreciation charged in the year	-	8,285	8,285
At 31 March 2019	7,228	58,562	65,790
Carrying amount			
At 31 March 2019	-	7,279	7,279
At 31 March 2018	-	13,582	13,582

11 Financial instruments

	2019 £	2018 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	20,522,381	15,703,592
Carrying amount of financial liabilities		
Measured at amortised cost	20,659,374	15,771,322

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.

12 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	6,846,622	6,688,498
Prepayments and accrued income	948,178	782,663
	7,794,800	7,471,161

RIVERS LEASING PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

12 Debtors	(Continued)	
	2019	2018
	£	£
Amounts falling due after more than one year:		
Trade debtors	13,558,712	8,993,955
Total debtors	<u>21,353,512</u>	<u>16,465,116</u>

Included within debtors is £109,582 (2018: £175,007) of assets purchased for the purpose of letting under finance leases for which the lease commences shortly after 31 March 2019.

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

	2019	2018
	£	£
Gross receivables from finance leases and loans:		
No later than 1 year	11,394,413	8,861,909
Later than 1 year and no later than 5 years	14,044,762	10,588,159
Unearned future finance income on finance leases and loans	(5,033,841)	(3,767,614)
	<u>20,405,334</u>	<u>15,682,453</u>

The finance leases and loans are receivable as follows:

	2019	2018
	£	£
No later than 1 year	11,394,413	6,688,498
Later than 1 year and no later than 5 years	9,010,921	8,993,955
	<u>20,405,334</u>	<u>15,682,453</u>

The cost of assets acquired for the purpose of letting under finance leases and loans was £14,003,791 (2018: £10,954,324).

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

RIVERS LEASING PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

13 Creditors: amounts falling due within one year

	Notes	2019 £	2018 £
Other borrowings	15	8,548,603	5,720,076
Trade creditors		436,890	383,476
Corporation tax		67,405	123,609
Other taxation and social security		66,266	96,665
Other creditors		55,241	30,310
Accruals and deferred income		79,914	206,609
		<u>9,254,319</u>	<u>6,560,745</u>

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

14 Creditors: amounts falling due after more than one year

	Notes	2019 £	2018 £
Other borrowings	15	9,030,001	7,525,207
Amounts owed to group undertakings		2,508,725	1,905,644
		<u>11,538,726</u>	<u>9,430,851</u>

15 Loans

	2019 £	2018 £
Other loans	<u>17,578,604</u>	<u>13,245,283</u>
Payable within one year	8,548,603	5,720,076
Payable after one year	<u>9,030,001</u>	<u>7,525,207</u>

The outstanding amounts are repayable by either monthly or quarterly instalments over the period of the loan agreements. The loan agreements did not exceed five years from the end of the financial year ended 31 March 2019.

Other loans due within and after more than one year include £6,194,458 (2018: £5,222,199) secured by a debenture dated 2 January 2015 and a guarantee from the parent company, Rivers Finance Group Plc; and £Nil (2018: £Nil) secured by guarantee from the director, R Daryani. Other loans due within and after more than one year of £4,355,950 (2018: £2,172,949) 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 security and guarantees in respect of these loans.

The amounts owed to group undertakings are interest bearing and unsecured.

RIVERS LEASING PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

16 Provisions for liabilities		2019	2018
	Notes	£	£
Deferred tax liabilities	17	<u>55,081</u>	<u>55,081</u>

17 Deferred taxation

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

	Liabilities 2019	Liabilities 2018
Balances:	£	£
Accelerated capital allowances	<u>55,081</u>	<u>55,081</u>

There were no deferred tax movements in the year.

18 Retirement benefit schemes

	2019	2018
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	<u>3,914</u>	<u>1,391</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

	2019	2018
	£	£
Ordinary share capital		
Issued and fully paid		
50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>

RIVERS LEASING PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

20 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2019	2018
	£	£
Aggregate compensation	65,544	65,530

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:

- Receivable from Dexerto Limited amounting to £50,309 (2018: £Nil), related by virtue of common directorship.
- Receivable from The Bike Club Limited amounting to £85,021 (2018: £20,000), S Daryani is a shareholder, the son of a director of the group.

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

- Mr M Friend amounting to £320,000 (2018: £Nil) on which interest of £8,667 (2018: £Nil) was charged for the year. Mr M Friend is the director of the group.
- Mr B Friend amounting to £222,000 (2018: £322,000) on which interest of £20,763 (2018: £21,769) was charged for the year. Mr B Friend is the son of the director of the group.

Included within creditors is an amount of £200,000 (2018: £400,000) owed to Aquasource Algae Group Plc. Included within creditors due within one year is £200,000 (2018: £200,000) and included within creditors due after more than one year is £Nil (2018: £200,000) on which interest of £10,038 (2018: £21,500) was charged for the year. Mr R Daryani is a shareholder of Aquasource Algae Group Plc.

Included within creditors is an amount of £141,666 (2018: £166,667) owed to Specialbalance Limited. Included within creditors due within one year is £74,999 (2018: £108,333) and included within creditors due after more than one year is £66,666 (2018: £58,333) on which interest of £33,189 (2018: £25,103) 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 15) 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 £30,000 (2018: £26,400) relating to rent and service charges to GH Daryani & Co Limited, common by virtue of common shareholder.

21 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.