

Unaudited Financial Statements

For The Year Ended 30 April 2020

for

Forest Products Limited

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For The Year Ended 30 April 2020

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Forest Products Limited
Company Information
For The Year Ended 30 April 2020

DIRECTORS: J R Freeman
Mrs H S Freeman
J N Baker
R J Freeman

SECRETARY: R J Freeman

REGISTERED OFFICE: Lightmoor Works
Cinderford
Gloucester
Gloucestershire
GL14 3HU

REGISTERED NUMBER: 00218634 (England and Wales)

ACCOUNTANTS: Kingscott Dix Limited
Chartered Accountants
Goodridge Court
Goodridge Avenue
Gloucester
Gloucestershire
GL2 5EN

Forest Products Limited (Registered number: 00218634)

Balance Sheet
30 April 2020

	Notes	30.4.20 £	£	30.4.19 £	£
FIXED ASSETS					
Tangible assets	4		1,508,616		1,575,514
Investments	5		<u>1,000</u>		<u>1,000</u>
			1,509,616		1,576,514
CURRENT ASSETS					
Stocks		594,743		665,720	
Debtors	6	190,748		210,248	
Cash at bank and in hand		<u>29,276</u>		<u>81,370</u>	
		814,767		957,338	
CREDITORS					
Amounts falling due within one year	7	<u>544,299</u>		<u>596,805</u>	
NET CURRENT ASSETS			<u>270,468</u>		<u>360,533</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,780,084		1,937,047
CREDITORS					
Amounts falling due after more than one year	8		(204,318)		(274,855)
PROVISIONS FOR LIABILITIES			<u>(124,277)</u>		<u>(137,870)</u>
NET ASSETS			<u>1,451,489</u>		<u>1,524,322</u>
CAPITAL AND RESERVES					
Called up share capital			35,050		35,050
Revaluation reserve	10		373,584		373,584
Retained earnings			<u>1,042,855</u>		<u>1,115,688</u>
SHAREHOLDERS' FUNDS			<u>1,451,489</u>		<u>1,524,322</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 April 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 April 2020 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The notes form part of these financial statements

Forest Products Limited (Registered number: 00218634)

Balance Sheet - continued

30 April 2020

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 25 March 2021 and were signed on its behalf by:

J R Freeman - Director

The notes form part of these financial statements

Notes to the Financial Statements
For The Year Ended 30 April 2020

1. STATUTORY INFORMATION

Forest Products Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

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

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Tangible fixed assets

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

Freehold property	- 2% on cost
Long leasehold	- 10% on cost
Plant and machinery	- 10% on cost and 5% on cost
Fixtures and fittings	- 25% on cost
Motor vehicles	- 20% on cost

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Notes to the Financial Statements - continued
For The Year Ended 30 April 2020

2. ACCOUNTING POLICIES - continued

Financial instruments

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

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

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

Basic financial assets

Basic financial assets, which include trade and other 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.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Basic financial liabilities

Basic financial liabilities, including trade and other 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.

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. Trade creditors are classified as current liabilities if payment is due within one year. If not, they are presented as creditors falling due after more than one year. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Notes to the Financial Statements - continued
For The Year Ended 30 April 2020

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

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

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Non depreciation of investment property

In accordance with IAS 40 investment properties were revalued annually up to 30 April 2016. The requirement of the Companies Act 2006 is to depreciate all properties, but that conflicts with the accounting principle set out in IAS 40. The directors consider the property is not held for consumption but for investment and that to depreciate would not give a true and fair view. Hence IAS 40 as amended by the Financial Reporting Standard for Smaller Entities (effective April 2008) has been adopted.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 24 (2019 - 25) .

Notes to the Financial Statements - continued
For The Year Ended 30 April 2020

4. TANGIBLE FIXED ASSETS

	Freehold property £	Long leasehold £	Plant and machinery £
COST OR VALUATION			
At 1 May 2019	1,143,064	11,868	753,166
Additions	-	-	1,000
At 30 April 2020	<u>1,143,064</u>	<u>11,868</u>	<u>754,166</u>
DEPRECIATION			
At 1 May 2019	84,101	11,868	272,169
Charge for year	11,265	-	37,748
At 30 April 2020	<u>95,366</u>	<u>11,868</u>	<u>309,917</u>
NET BOOK VALUE			
At 30 April 2020	<u>1,047,698</u>	<u>-</u>	<u>444,249</u>
At 30 April 2019	<u>1,058,963</u>	<u>-</u>	<u>480,997</u>
	Fixtures and fittings £	Motor vehicles £	Totals £
COST OR VALUATION			
At 1 May 2019	184,134	94,480	2,186,712
Additions	-	-	1,000
At 30 April 2020	<u>184,134</u>	<u>94,480</u>	<u>2,187,712</u>
DEPRECIATION			
At 1 May 2019	166,338	76,722	611,198
Charge for year	10,148	8,737	67,898
At 30 April 2020	<u>176,486</u>	<u>85,459</u>	<u>679,096</u>
NET BOOK VALUE			
At 30 April 2020	<u>7,648</u>	<u>9,021</u>	<u>1,508,616</u>
At 30 April 2019	<u>17,796</u>	<u>17,758</u>	<u>1,575,514</u>

Included in cost or valuation of land and buildings is freehold land of £ 99,632 (2019 - £ 99,632) which is not depreciated.

Cost or valuation at 30 April 2020 is represented by:

	Freehold property £	Long leasehold £	Plant and machinery £
Valuation in 2016	500,000	-	-
Cost	643,064	11,868	754,166
	<u>1,143,064</u>	<u>11,868</u>	<u>754,166</u>

Notes to the Financial Statements - continued
For The Year Ended 30 April 2020

4. TANGIBLE FIXED ASSETS - continued

	Fixtures and fittings £	Motor vehicles £	Totals £
Valuation in 2016	-	-	500,000
Cost	184,134	94,480	1,687,712
	<u>184,134</u>	<u>94,480</u>	<u>2,187,712</u>

If investment property had not been revalued it would have been included at the following historical cost:

	30.4.20 £	30.4.19 £
Cost	50,721	50,721
Aggregate depreciation	<u>7,200</u>	<u>7,200</u>

Freehold investment property was valued on an open market valuation basis on 30 April 2016 by the directors.

The net book value above includes amounts attributable to assets subject to hire purchase and finance lease agreements at 30 April 2020 of £330,975 (2019 : £356,651).

5. FIXED ASSET INVESTMENTS

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

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.4.20 £	30.4.19 £
Trade debtors	110,445	135,482
Prepayments and accrued income	80,303	74,766
	<u>190,748</u>	<u>210,248</u>

Notes to the Financial Statements - continued
For The Year Ended 30 April 2020

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.4.20	30.4.19
	£	£
Bank loans and overdrafts	51,790	12,448
Hire purchase contracts	63,213	66,508
Trade creditors	257,585	311,707
Amounts owed to group undertakings	38,006	58,947
Social security and other taxes	53,301	63,764
Other creditors	1,986	6,221
Directors' current accounts	55,704	55,704
Accruals and deferred income	22,714	21,506
	<u>544,299</u>	<u>596,805</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	30.4.20	30.4.19
	£	£
Bank loans - 1-2 years	13,248	12,548
Bank loans - 2-5 years	40,346	38,246
Bank loans more 5 yr by instal	42,819	59,235
Hire purchase contracts	107,905	164,826
	<u>204,318</u>	<u>274,855</u>

Amounts falling due in more than five years:

Repayable by instalments		
Bank loans more 5 yr by instal	<u>42,819</u>	<u>59,235</u>

9. SECURED DEBTS

The following secured debts are included within creditors:

	30.4.20	30.4.19
	£	£
Bank overdraft	38,741	-
Bank loans	109,462	122,477
Hire purchase contracts	171,118	231,334
	<u>319,321</u>	<u>353,811</u>

10. RESERVES

	Revaluation reserve £
At 1 May 2019 and 30 April 2020	<u>373,584</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.