

The Fork Lift Truck Association Limited

(A company limited by guarantee)

Annual Report and Financial Statements
for the Year Ended 31 December 2019

Contents

Company Information	<u>1</u>
Directors' Report	<u>2</u>
Statement of Directors' Responsibilities	<u>3</u>
Independent Auditor's Report	<u>4</u> to <u>6</u>
Profit and Loss Account	<u>7</u>
Statement of Comprehensive Income	<u>8</u>
Balance Sheet	<u>9</u>
Statement of Changes in Equity	<u>10</u>
Notes to the Financial Statements	<u>11</u> to <u>16</u>

Company Information

Directors

Mr M Fletcher
Mr P Girardi
Mr A Woodward
Mr P Saunders
Mr D Nealon
Mr S Taylor
Mr D Martin
Mr G Martin
Ms Z Ferriday

Registered office

34B Kingfisher Court
Newbury
Berkshire
RG14 5SJ

Auditors

Howard Smith & Co Limited
1 & 2 Hillbrow House
Linden Drive
Liss
Hampshire
GU33 7RJ

Directors' Report for the Year Ended 31 December 2019

The directors present their report and the financial statements for the year ended 31 December 2019.

Directors of the company

The directors who held office during the year were as follows:

Mr M Fletcher

Mr P Girardi

Mr D Anderson (resigned 26 September 2019)

Mr A Woodward

Mr P Saunders

Mr D Nealon

Mr S Taylor

Mr D Martin

Mr G Martin

Ms Z Ferriday

Principal activity

The principal activity of the company is trade association.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 15 September 2020 and signed on its behalf by:

.....
Mr D Nealon
Director

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities 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 surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and 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.

Independent Auditor's Report to the Members of The Fork Lift Truck Association Limited

Opinion

We have audited the financial statements of The Fork Lift Truck Association Limited (the 'company') for the year ended 31 December 2019, which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, 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 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its loss 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 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.

Independent Auditor's Report to the Members of The Fork Lift Truck Association Limited

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the 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.

Matters on which we are required to report by exception

In the light of our 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' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.
-

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities [set out on page 3], 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 www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent Auditor's Report to the Members of The Fork Lift Truck Association Limited

.....
J Stimpson FCA (Senior Statutory Auditor)

For and on behalf of Howard Smith & Co Limited, Statutory Auditor

1 & 2 Hillbrow House

Linden Drive

Liss

Hampshire

GU33 7RJ

15 September 2020

Profit and Loss Account for the Year Ended 31 December 2019

	Note	2019 £	2018 £
Turnover		528,455	542,683
Cost of sales		<u>(271,847)</u>	<u>(283,781)</u>
Gross surplus		256,608	258,902
Distribution costs		(10,740)	(10,603)
Administrative expenses		(384,235)	(293,550)
Other operating income		<u>27,500</u>	<u>19,000</u>
Operating deficit		<u>(110,867)</u>	<u>(26,251)</u>
Income from participating interests		60,000	45,000
Other interest receivable and similar income		<u>503</u>	<u>335</u>
		<u>60,503</u>	<u>45,335</u>
(Deficit)/surplus before tax	<u>5</u>	<u>(50,364)</u>	<u>19,084</u>
(Deficit)/surplus for the financial year		<u><u>(50,364)</u></u>	<u><u>19,084</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

Statement of Comprehensive Income for the Year Ended 31 December 2019

	2019 £	2018 £
(Deficit)/surplus for the year	<u>(50,364)</u>	<u>19,084</u>
Total comprehensive income for the year	<u><u>(50,364)</u></u>	<u><u>19,084</u></u>

(Registration number: 01084279)
Balance Sheet as at 31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	<u>6</u>	16,200	-
Tangible assets	<u>7</u>	1,936	1,244
Investments	<u>8</u>	10,001	10,001
		<u>28,137</u>	<u>11,245</u>
Current assets			
Stocks	<u>9</u>	19,549	13,028
Debtors	<u>10</u>	44,223	61,684
Cash at bank and in hand		<u>231,191</u>	<u>247,212</u>
		294,963	321,924
Creditors: Amounts falling due within one year	<u>11</u>	<u>(127,671)</u>	<u>(87,376)</u>
Net current assets		<u>167,292</u>	<u>234,548</u>
Net assets		<u>195,429</u>	<u>245,793</u>
Capital and reserves			
Profit and loss account		<u>195,429</u>	<u>245,793</u>
Total equity		<u>195,429</u>	<u>245,793</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on 15 September 2020 and signed on its behalf by:

.....

Mr D Nealon
Director

Statement of Changes in Equity for the Year Ended 31 December 2019

	Profit and loss account £	Total £
At 1 January 2019	245,793	245,793
Deficit for the year	(50,364)	(50,364)
	<hr/>	<hr/>
Total comprehensive income	(50,364)	(50,364)
	<hr/>	<hr/>
At 31 December 2019	195,429	195,429
	<hr/>	<hr/>
	Profit and loss account £	Total £
At 1 January 2018	226,709	226,709
Surplus for the year	19,084	19,084
	<hr/>	<hr/>
Total comprehensive income	19,084	19,084
	<hr/>	<hr/>
At 31 December 2018	245,793	245,793
	<hr/>	<hr/>

Notes to the Financial Statements for the Year Ended 31 December 2019

1 General information

The company is a company limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

The address of its registered office is:
34B Kingfisher Court
Newbury
Berkshire
RG14 5SJ

These financial statements were authorised for issue by the Board on 15 September 2020.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Furniture and fittings	20% straight line on cost
Office equipment	33% straight line on cost

Notes to the Financial Statements for the Year Ended 31 December 2019

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Website	33% straight line on cost

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Notes to the Financial Statements for the Year Ended 31 December 2019

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 4 (2018 - 4).

4 Auditors' remuneration

	2019 £	2018 £
Audit of the financial statements	2,975	2,150

5 Loss/profit before tax

Arrived at after charging/(crediting)

	2019 £	2018 £
Depreciation expense	1,334	877

Notes to the Financial Statements for the Year Ended 31 December 2019

6 Intangible assets

	Internally generated software development costs £	Total £
Cost or valuation		
Additions acquired separately	<u>16,200</u>	<u>16,200</u>
At 31 December 2019	<u>16,200</u>	<u>16,200</u>
Amortisation		
Carrying amount		
At 31 December 2019	<u><u>16,200</u></u>	<u><u>16,200</u></u>

The aggregate amount of research and development expenditure recognised as an expense during the period is £Nil (2018 - £Nil).

Notes to the Financial Statements for the Year Ended 31 December 2019

7 Tangible assets

	Furniture, fittings and equipment £	Total £
Cost or valuation		
At 1 January 2019	32,884	32,884
Additions	<u>1,725</u>	<u>1,725</u>
At 31 December 2019	<u>34,609</u>	<u>34,609</u>
Depreciation		
At 1 January 2019	31,640	31,640
Charge for the year	<u>1,033</u>	<u>1,033</u>
At 31 December 2019	<u>32,673</u>	<u>32,673</u>
Carrying amount		
At 31 December 2019	<u><u>1,936</u></u>	<u><u>1,936</u></u>
At 31 December 2018	<u><u>1,244</u></u>	<u><u>1,244</u></u>

8 Investments

	2019 £	2018 £
Investments in associates	<u><u>10,001</u></u>	<u><u>10,001</u></u>
Associates		£
Cost		
At 1 January 2019		<u>10,001</u>
Provision		
Carrying amount		
At 31 December 2019		<u><u>10,001</u></u>
At 31 December 2018		<u><u>10,001</u></u>

9 Stocks

	2019 £	2018 £
Other inventories	<u><u>19,549</u></u>	<u><u>13,028</u></u>

10 Debtors

Notes to the Financial Statements for the Year Ended 31 December 2019

	2019 £	2018 £
Trade debtors	18,496	17,952
Other debtors	25,727	43,732
	<hr/>	<hr/>
Total current trade and other debtors	44,223	61,684
	<hr/>	<hr/>

11 Creditors

Creditors: amounts falling due within one year

	2019 £	2018 £
Due within one year		
Trade creditors	59,499	22,968
Taxation and social security	6,258	4,117
Accruals and deferred income	4,311	15,647
Other creditors	57,603	44,644
	<hr/>	<hr/>
	127,671	87,376
	<hr/>	<hr/>

12 Related party transactions

Summary of transactions with associates

Management fees
Dividends

Income and receivables from related parties

	Associates £
2019	
Receipt of services	20,000
Amounts receivable from related party	60,000
	<hr/>
	<hr/>
2018	
Receipt of services	19,000
Amounts receivable from related party	45,000
	<hr/>
	<hr/>

13 Non adjusting events after the financial period

The proposed merger, as first announced to members on September 26th 2019, of The Fork Lift Truck Association Limited, The British Industrial Truck Association Limited, and Consolidated Fork Truck Services Limited, is in the advanced stages of negotiation and is likely to complete, at the end of 2020

Linden Drive

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.