

REGISTERED NUMBER: 01221643 (England and Wales)

**Strategic Report, Report of the Directors and
Audited Financial Statements For The Year Ended 31st March 2018
for
Forestdale Business Services Limited**

**Contents of the Financial Statements
For The Year Ended 31st March 2018**

	Page
Company Information	1
Strategic Report	2
Report of the Directors	3
Report of the Independent Auditors	5
Statement of Comprehensive Income	7
Statement of Financial Position	8
Statement of Changes in Equity	9
Statement of Cash Flows	10
Notes to the Statement of Cash Flows	11
Notes to the Financial Statements	12

Forestdale Business Services Limited

**Company Information
For The Year Ended 31st March 2018**

DIRECTORS: J W Baker
C M Baker

SECRETARY: C M Baker

REGISTERED OFFICE: 1-3 Manor Road
Chatham
Kent
ME4 6AE

REGISTERED NUMBER: 01221643 (England and Wales)

SENIOR STATUTORY AUDITOR: Natalie Harrison ACA FCCA CTA TEP

AUDITORS: Beak Kemmenoe
Chartered Accountants
& Statutory Auditors
1-3 Manor Road
Chatham
Kent
ME4 6AE

**Strategic Report
For The Year Ended 31st March 2018**

The directors present their strategic report for the year ended 31st March 2018.

REVIEW OF BUSINESS

The company's principal activities during the year were the wholesale distribution of cleaning and janitorial supplies.

The company has continued to trade profitably during the year. Despite the economic climate the company continues to trade profitably to the date of signing of this report, and the directors are confident that this will remain the case for the remainder of the year.

The director regards turnover and gross margin as the key performance indicators of the business and the director is pleased with the performance despite challenging trading conditions.

The company is in a strong position to continue to supply and service its customers.

PRINCIPAL RISKS AND UNCERTAINTIES

The company is also subject to competitor risk, operating in a competitive market with a focus on quality and price. To reduce this risk the company continues to actively challenge margins when reviewing potential orders, and works hard to ensure the sourcing of products at the best price available. To reduce this risk the company continues to actively challenge margins when tendering for contracts.

RESEARCH AND DEVELOPMENT

The company does not engage in research and development.

FUTURE DEVELOPMENTS

Despite the fierce competition within the industry the company continues to trade profitably to the date of signing of this report and the directors are confident that this will continue to be the case for the remainder of the calendar year.

ON BEHALF OF THE BOARD:

J W Baker - Director

28th September 2018

**Report of the Directors
For The Year Ended 31st March 2018**

The directors present their report with the financial statements of the company for the year ended 31st March 2018.

DIVIDENDS

No dividends will be distributed for the year ended 31st March 2018.

DIRECTORS

The directors shown below have held office during the whole of the period from 1st April 2017 to the date of this report.

J W Baker
C M Baker

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The company's financial assets and liabilities consist of trade debtors and creditors, bank balances, monies due to associated companies and directors and operating leases

The directors manage the company's exposure to financial risk by researching the credit worthiness of customers and by seeking advice from external financial advisors.

There is no currency risk and the company does not trade speculatively in derivatives or similar instruments.

DISCLOSURE IN THE STRATEGIC REPORT

Certain matters required by regulation to be dealt with in the annual report have been dealt with in the strategic report, rather than the Directors' Report. These include the review of the business, the principal risks and uncertainties and the future developments commentaries.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Report of the Directors
For The Year Ended 31st March 2018**

AUDITORS

The auditors, Beak Kemmenoe, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

J W Baker - Director

28th September 2018

Report of the Independent Auditors to the Members of Forestdale Business Services Limited

Opinion

We have audited the financial statements of Forestdale Business Services Limited (the 'company') for the year ended 31st March 2018 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Statement of Cash Flows, 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 Financial Reporting Standard 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 31st March 2018 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 Auditors' 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 in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and 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, 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.

Opinion on other matters 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 Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of Forestdale Business Services Limited

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 Strategic Report or the Report of the Directors.

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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 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.

Auditors' 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 a Report of the Auditors 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 Report of the Auditors.

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 a Report of the Auditors 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.

Natalie Harrison ACA FCCA CTA TEP (Senior Statutory Auditor)
for and on behalf of Beak Kemmenoe
Chartered Accountants
& Statutory Auditors
1-3 Manor Road
Chatham
Kent
ME4 6AE

28th September 2018

**Statement of Comprehensive Income
For The Year Ended 31st March 2018**

	Notes	2018 £	2017 £
TURNOVER		12,034,233	11,870,273
Cost of sales		<u>8,647,720</u>	<u>8,684,492</u>
GROSS PROFIT		3,386,513	3,185,781
Administrative expenses		<u>2,346,426</u>	<u>2,378,693</u>
OPERATING PROFIT	4	1,040,087	807,088
Interest receivable and similar income		<u>125</u>	<u>136</u>
PROFIT BEFORE TAXATION		1,040,212	807,224
Tax on profit	5	<u>207,262</u>	<u>189,677</u>
PROFIT FOR THE FINANCIAL YEAR		832,950	617,547
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>832,950</u>	<u>617,547</u>

The notes form part of these financial statements

Statement of Financial Position
31st March 2018

	Notes	2018 £	£	2017 £	£
FIXED ASSETS					
Intangible assets	6		1		1
Tangible assets	7		<u>3,484,231</u>		<u>3,561,732</u>
			3,484,232		3,561,733
CURRENT ASSETS					
Stocks	8	699,141		603,461	
Debtors	9	2,177,432		2,192,296	
Cash at bank		<u>3,558,050</u>		<u>3,341,603</u>	
		6,434,623		6,137,360	
CREDITORS					
Amounts falling due within one year	10	<u>2,640,783</u>		<u>3,252,776</u>	
NET CURRENT ASSETS			<u>3,793,840</u>		<u>2,884,584</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			7,278,072		6,446,317
PROVISIONS FOR LIABILITIES	11		<u>74,199</u>		<u>75,394</u>
NET ASSETS			<u>7,203,873</u>		<u>6,370,923</u>
CAPITAL AND RESERVES					
Called up share capital	12		2,004		2,004
Retained earnings	13		<u>7,201,869</u>		<u>6,368,919</u>
SHAREHOLDERS' FUNDS			<u>7,203,873</u>		<u>6,370,923</u>

The financial statements were approved by the Board of Directors on 28th September 2018 and were signed on its behalf by:

J W Baker - Director

C M Baker - Director

**Statement of Changes in Equity
For The Year Ended 31st March 2018**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1st April 2016	2,004	5,751,372	5,753,376
Changes in equity			
Total comprehensive income	-	617,547	617,547
Balance at 31st March 2017	<u>2,004</u>	<u>6,368,919</u>	<u>6,370,923</u>
Changes in equity			
Total comprehensive income	-	832,950	832,950
Balance at 31st March 2018	<u>2,004</u>	<u>7,201,869</u>	<u>7,203,873</u>

The notes form part of these financial statements

Statement of Cash Flows
For The Year Ended 31st March 2018

		2018	2017
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	468,991	1,515,550
Tax paid		<u>(174,419)</u>	<u>(196,054)</u>
Net cash from operating activities		<u>294,572</u>	<u>1,319,496</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(95,700)	(166,449)
Sale of tangible fixed assets		17,450	24,000
Interest received		<u>125</u>	<u>136</u>
Net cash from investing activities		<u>(78,125)</u>	<u>(142,313)</u>
Increase in cash and cash equivalents		<u>216,447</u>	<u>1,177,183</u>
Cash and cash equivalents at beginning of year	2	3,341,603	2,164,420
Cash and cash equivalents at end of year	2	<u><u>3,558,050</u></u>	<u><u>3,341,603</u></u>

The notes form part of these financial statements

Notes to the Statement of Cash Flows
For The Year Ended 31st March 2018

1. **RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2018	2017
	£	£
Profit before taxation	1,040,212	807,224
Depreciation charges	151,821	154,584
Loss/(profit) on disposal of fixed assets	3,930	(2,710)
Finance income	(125)	(136)
	<u>1,195,838</u>	<u>958,962</u>
Increase in stocks	(95,680)	(21,231)
Decrease/(increase) in trade and other debtors	14,864	(125,396)
(Decrease)/increase in trade and other creditors	<u>(646,031)</u>	<u>703,215</u>
Cash generated from operations	<u><u>468,991</u></u>	<u><u>1,515,550</u></u>

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31st March 2018

	31.3.18	1.4.17
	£	£
Cash and cash equivalents	<u>3,558,050</u>	<u>3,341,603</u>

Year ended 31st March 2017

	31.3.17	1.4.16
	£	£
Cash and cash equivalents	<u>3,341,603</u>	<u>2,164,420</u>

**Notes to the Financial Statements
For The Year Ended 31st March 2018**

1. STATUTORY INFORMATION

Forestdale Business Services 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" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 1996, is being amortised evenly over its estimated useful life of ten years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Plant and machinery	- 20% on reducing balance
Fixtures and fittings	- 10% on reducing balance
Motor vehicles	- 25% on reducing balance
Furniture and equipment	- 10% on reducing balance

Stocks

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

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, 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 statement of financial position date.

Notes to the Financial Statements - continued
For The Year Ended 31st March 2018

2. **ACCOUNTING POLICIES - continued**

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position 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

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

Payments in respect of other post-retirement benefits are charged to profit or loss in the period to which they relate.

3. **EMPLOYEES AND DIRECTORS**

	2018	2017
	£	£
Wages and salaries	1,353,320	1,404,171
Social security costs	138,722	143,267
Other pension costs	52,600	32,891
	<u>1,544,642</u>	<u>1,580,329</u>

The average number of employees during the year was as follows:

	2018	2017
Administrative staff	2	2
Salesmen, office and warehouse staff	42	42
	<u>44</u>	<u>44</u>
	2018	2017
	£	£
Directors' remuneration	<u>-</u>	<u>-</u>

Notes to the Financial Statements - continued
For The Year Ended 31st March 2018

4. **OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	2018	2017
	£	£
Hire of plant and machinery	68,049	73,526
Depreciation - owned assets	151,821	154,584
Loss/(profit) on disposal of fixed assets	3,930	(2,710)
Auditors' remuneration	<u>15,914</u>	<u>18,385</u>

5. **TAXATION**

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2018	2017
	£	£
Current tax:		
UK corporation tax	208,457	174,420
Deferred tax	<u>(1,195)</u>	<u>15,257</u>
Tax on profit	<u>207,262</u>	<u>189,677</u>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2018	2017
	£	£
Profit before tax	<u>1,040,212</u>	<u>807,224</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 20%)	197,640	161,445
Effects of:		
Difference between capital allowances and depreciation	10,817	12,975
Deferred tax	<u>(1,195)</u>	<u>15,257</u>
Total tax charge	<u>207,262</u>	<u>189,677</u>

Notes to the Financial Statements - continued
For The Year Ended 31st March 2018

6. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1st April 2017 and 31st March 2018	<u>10,000</u>
AMORTISATION	
At 1st April 2017 and 31st March 2018	<u>9,999</u>
NET BOOK VALUE	
At 31st March 2018	<u>1</u>
At 31st March 2017	<u>1</u>

7. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1st April 2017	3,512,307	203,733	292,963
Additions	13,370	22,757	17,797
Disposals	-	(21,009)	-
At 31st March 2018	<u>3,525,677</u>	<u>205,481</u>	<u>310,760</u>
DEPRECIATION			
At 1st April 2017	436,629	149,033	119,254
Charge for year	70,476	10,560	17,376
Eliminated on disposal	-	(20,631)	-
At 31st March 2018	<u>507,105</u>	<u>138,962</u>	<u>136,630</u>
NET BOOK VALUE			
At 31st March 2018	<u>3,018,572</u>	<u>66,519</u>	<u>174,130</u>
At 31st March 2017	<u>3,075,678</u>	<u>54,700</u>	<u>173,709</u>

Notes to the Financial Statements - continued
For The Year Ended 31st March 2018

7. **TANGIBLE FIXED ASSETS - continued**

	Motor vehicles £	Furniture and equipment £	Totals £
COST			
At 1st April 2017	395,776	68,038	4,472,817
Additions	32,983	8,793	95,700
Disposals	(28,010)	-	(49,019)
At 31st March 2018	<u>400,749</u>	<u>76,831</u>	<u>4,519,498</u>
DEPRECIATION			
At 1st April 2017	161,994	44,175	911,085
Charge for year	51,021	2,388	151,821
Eliminated on disposal	(7,008)	-	(27,639)
At 31st March 2018	<u>206,007</u>	<u>46,563</u>	<u>1,035,267</u>
NET BOOK VALUE			
At 31st March 2018	<u>194,742</u>	<u>30,268</u>	<u>3,484,231</u>
At 31st March 2017	<u>233,782</u>	<u>23,863</u>	<u>3,561,732</u>

8. **STOCKS**

	2018 £	2017 £
Stocks	<u>699,141</u>	<u>603,461</u>

9. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2018 £	2017 £
Trade debtors	2,011,706	2,064,662
Other debtors	-	679
Prepayments and accrued income	<u>165,726</u>	<u>126,955</u>
	<u>2,177,432</u>	<u>2,192,296</u>

10. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2018 £	2017 £
Trade creditors	1,090,697	1,149,233
Tax	208,457	174,419
Social security and other taxes	98,875	96,260
VAT Liability	94,332	125,434
Other creditors	<u>1,148,422</u>	<u>1,707,430</u>
	<u>2,640,783</u>	<u>3,252,776</u>

Notes to the Financial Statements - continued
For The Year Ended 31st March 2018

11. PROVISIONS FOR LIABILITIES

	2018 £	2017 £
Deferred tax	<u>74,199</u>	<u>75,394</u>
		Deferred tax £
Balance at 1st April 2017		75,394
Provided during year		<u>(1,195)</u>
Balance at 31st March 2018		<u>74,199</u>

12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2018	2017
Number:	Class:	Nominal value:	£	£
2,004	Ordinary	£1	<u>2,004</u>	<u>2,004</u>

13. RESERVES

	Retained earnings £
At 1st April 2017	6,368,919
Profit for the year	<u>832,950</u>
At 31st March 2018	<u>7,201,869</u>

14. RELATED PARTY DISCLOSURES

The company is related to Direct Cleaning Supplies Ltd (dormant) and Astonstar Limited by common ownership.

The company supplied to Astonstar Limited during the year; administration charges £240,000 (2017:£240,000).
At the year end the company owed to Astonstar Limited £563,716 (2017:£866,716).

The loan is interest free and repayable on demand, no amounts were written off in the year.

15. ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party, the shares are held equally between the directors.

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.