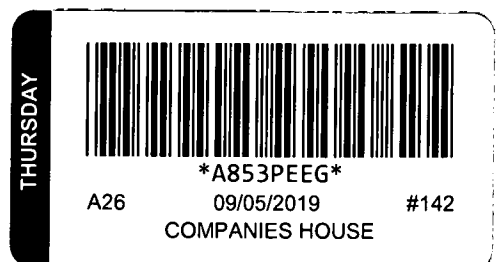


Company Registration No. 01592283 (England and Wales)

FORUM HEALTH PRODUCTS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018



FORUM HEALTH PRODUCTS LIMITED

COMPANY INFORMATION

Directors	H Van Der Wal J Van Der Linden	(Appointed 25 January 2018)
Secretary	N Copp	
Company number	01592283	
Registered office	Crown House 2-8 Gloucester Road Redhill Surrey RH1 1FH	
Auditor	Moore Stephens (South) LLP Priory House Pilgrims Court Sydenham Road Guildford Surrey GU1 3RX	

FORUM HEALTH PRODUCTS LIMITED

CONTENTS

	Page
Strategic report	1 - 2
Directors' report	3
Directors' responsibilities statement	4
Independent auditor's report	5 - 7
Statement of comprehensive income	8
Balance sheet	9
Statement of changes in equity	10
Statement of cash flows	11
Notes to the financial statements	12 - 19

FORUM HEALTH PRODUCTS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present the strategic report for the year ended 31 December 2018.

The principal activity of the company in the year under review was distribution of Department of Health prescription products.

Fair review of the business

The directors critically review the business during the year by comparing performance against agreed key performance indicators, such as turnover, gross profit, overheads and working capital.

Turnover for the year ended 31 December 2018 amounted to £78.6m compared to £85.7m for the previous year. This equates to 8% reduction in turnover which was primarily owing to Department of Health guidance to not prescribe over the counter (OTC) products as well as the increasing competitive nature of the market in which the products are sold. Additionally Forum ceased trading in the health food products sector. Gross profit decreased to £1.33m from £1.63m in 2017 as a consequence of the reductions in turnover described above.

Overheads in the year ended 31 December 2018 amounted to £295k which was £140k lower than the previous year. Overall operating profit for 2018 was £1.06m compared to £1.2m in 2017, attributed to the reasons above.

The directors continue to plan the future development of the business through building new commercial partnerships across its Department of Health business activities.

The directors are satisfied with the results for the period.

Net current assets and shareholders' funds at 31 December 2018 of £1.9m were reduced from 2017 when the figure was £2.3m.

Outlook for 2019

Turnover and operating profit are expected to decrease in 2019 due to the issues described above on guidance for OTC products. However, with the new Pharmaceutical Price Regulation Scheme (PPRS) scheme now issued for the next five years, new opportunities will be actively sought to offset these decreases.

The company will continue to optimise working capital.

FORUM HEALTH PRODUCTS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

Principal risks and uncertainties

The company's operations expose it to a variety of financial risks that include credit risk and liquidity risk. The company has put in place policies and procedures that seek to limit the effect of these risks.

The company has policies that require appropriate credit checks on potential and existing customers before sales are made.

The company actively maintains cash in hand at a level that is designed to ensure sufficient available funds for operations.

The company actively maintains a credit insurance policy that is designed to ensure that all of the company's sales invoices are covered against default, where a customer can no longer meet its payment obligations. Credit limits are reviewed regularly to ensure the correct level of cover is in place to cover the company's requirements. Where the company is granted an insufficient limit, the customers past trading history is taken into account when determining the level of credit to grant them. The company aims to operate with just 1% of the value of open sales invoices not being covered by credit insurance, this way the potential risk to the company is minimised.

The company is exposed to changes in the selling prices of medicinal products. Changes in prices may be forced by Governments or competitive forces such as the development of competitor products, patent protection and competitor discounting.

The directors specifically review potential commercial and financial risk on a monthly basis and make provisions against such risks accordingly.

On behalf of the board



H Van Der Wal

Director

29/4/2019

FORUM HEALTH PRODUCTS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their annual report and financial statements for the year ended 31 December 2018.

Principal activities

The principal activity of the company continued to be distributor of Department of Health prescription products.

Directors

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

H Van Der Wal

J Van Der Linden

(Appointed 25 January 2018)

Dividends

An interim dividend of £8,000 per share totalling £800,000 was declared in 2018. There was also a final 2017 dividend of £4,000 per share distributed totalling £400,000.

Directors' insurance

Indemnity insurance for the benefit of the directors was in force during the year.

Future developments

There continues to be a considerable focus to obtain new distribution contracts. This strategy of expanding the company's product portfolio provides an opportunity to grow turnover and gross margin as well as being a further opportunity to mitigate future risk.

Auditor

In accordance with the company's articles, a resolution proposing that Moore Stephens (South) LLP be reappointed as auditor of the company will be put at a General Meeting.

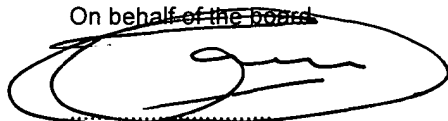
Disclosure in the Strategic Report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of matters relating to the principal activity, review of business and principal risks and uncertainties of the company.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



H Van Der Wal

Director

Date: 29/4/2019

FORUM HEALTH PRODUCTS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2018

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;
- 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.

In addition, the directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

FORUM HEALTH PRODUCTS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF FORUM HEALTH PRODUCTS LIMITED

Opinion

We have audited the financial statements of Forum Health Products Limited (the 'company') for the year ended 31 December 2018 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows 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 December 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 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

FORUM HEALTH PRODUCTS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF FORUM HEALTH PRODUCTS 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 and 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.

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.

FORUM HEALTH PRODUCTS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF FORUM HEALTH PRODUCTS LIMITED

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.



Christopher Goodwin (Senior Statutory Auditor)
for and on behalf of Moore Stephens (South) LLP

Chartered Accountants
Statutory Auditor

3 May 2019

Priory House
Pilgrims Court
Sydenham Road
Guildford
Surrey
GU1 3RX

FORUM HEALTH PRODUCTS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 £	2017 £
Turnover		78,622,678	85,706,135
Cost of sales		(77,292,236)	(84,074,288)
Gross profit		1,330,442	1,631,847
Administrative expenses		(295,176)	(434,991)
Other operating income		25,000	-
Operating profit	3	1,060,266	1,196,856
Other interest payable and similar expenses	5	(1,499)	(4,053)
Profit before taxation		1,058,767	1,192,803
Tax on profit	6	(201,166)	(229,725)
Profit for the financial year		857,601	963,078

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

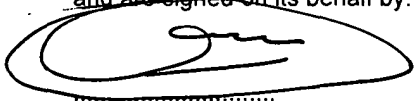
FORUM HEALTH PRODUCTS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
Current assets					
Stocks	10	3,811,143		4,504,141	
Debtors	11	14,594,680		15,405,360	
Cash at bank and in hand		1,206,930		545,203	
		19,612,753		20,454,704	
Creditors: amounts falling due within one year	12	(17,670,895)		(18,170,447)	
Net current assets			1,941,858		2,284,257
Capital and reserves					
Called up share capital	14		100		100
Profit and loss reserves			1,941,758		2,284,157
Total equity			1,941,858		2,284,257

The financial statements were approved by the board of directors and authorised for issue on 29/1/2019 and are signed on its behalf by:



H Van Der Wal
Director

Company Registration No. 01592283

FORUM HEALTH PRODUCTS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 January 2017		100	2,321,079	2,321,179
Year ended 31 December 2017:				
Profit and total comprehensive income for the year		-	963,078	963,078
Dividends	7	-	(1,000,000)	(1,000,000)
Balance at 31 December 2017		100	2,284,157	2,284,257
Year ended 31 December 2018:				
Profit and total comprehensive income for the year		-	857,601	857,601
Dividends	7	-	(1,200,000)	(1,200,000)
Balance at 31 December 2018		100	1,941,758	1,941,858

FORUM HEALTH PRODUCTS LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Cash generated from operations	18	1,638,065		990,974	
Interest paid		(1,499)		(4,053)	
Income taxes paid		(224,696)		(261,100)	
Net cash inflow from operating activities		<u>1,411,870</u>		<u>725,821</u>	
Net cash used in investing activities			-		-
Financing activities					
Intercompany loan with parent		450,000		350,000	
Dividends paid		(1,200,000)		(1,000,000)	
Net cash used in financing activities		<u>(750,000)</u>		<u>(650,000)</u>	
Net increase in cash and cash equivalents		<u>661,870</u>		<u>75,821</u>	
Cash and cash equivalents at beginning of year		545,203		469,243	
Effect of foreign exchange rates		(143)		139	
Cash and cash equivalents at end of year		<u><u>1,206,930</u></u>		<u><u>545,203</u></u>	

FORUM HEALTH PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Company information

Forum Health Products Limited ('the Company') is a private company, limited by shares, incorporated in England and Wales. The address of its registered office and principal place of business is Crown House, 2-8 Gloucester Road, Redhill, Surrey, RH1 1FH.

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 £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The principal activity of the Company is that of a distributor of Department of Health prescription products as well as health food products and supplements.

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

Turnover, which is all within the UK, excludes value added tax and represents the invoiced value of goods supplied. Invoices raised for goods and services are based on fulfilled obligations.

1.4 Intangible fixed assets - goodwill

Goodwill being the amount paid in connection with the acquisition of the business has been fully amortised. 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.

1.5 Stocks

Stocks are stated at the lower of cost and net realisable value. Costs are determined on a first in, first out basis and includes, where relevant, costs incurred in moving product to warehouse, together with packaging costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for costs of realisation. Provision is made where necessary for obsolete, slow-moving and defective stocks.

1.6 Financial instruments

Financial assets and liabilities are recognised when the Company becomes party to the contractual provisions of the financial instrument. The Company holds basic financial instruments, which comprise cash and cash equivalents, trade and other receivables derivative financial instruments, trade and other payables. The Company has chosen to apply the provisions of Section 11 Basic Financial Instruments and Section 12 Other Financial Instruments in full.

FORUM HEALTH PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

Basic financial assets

(i) Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held with banks.

(ii) Trade and other receivables

Trade and other receivables are initially recognised at the transaction price, including any transaction costs, and are subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Amounts that are receivable within one year are measured at the undiscounted amount of the cash expected to be received, net of any impairment.

At the end of each reporting period, the Company assesses whether there is objective evidence that any receivable amount may be impaired. A provision for impairment 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. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised immediately in profit or loss.

Basic financial liabilities

(iii) Trade and other payables and loans and borrowings

Trade and other payables are initially measured at the transaction price, including any transactions costs, and subsequently measured at amortised cost using the effective interest method. Amounts that are payable within one year are measured at the undiscounted amount of the cash expected to be paid.

1.7 Equity instruments

Dividends distributed are recognised in the year which they are approved.

1.8 Taxation

Taxation for the year comprises current 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 taxation assets and liabilities are not discounted.

Current tax

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

1.9 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.

1.10 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.

FORUM HEALTH PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

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

Critical judgements in applying the Company's accounting policies

(i) Assessing indicators of impairment

In assessing whether there have been any indicators of impairment of assets, the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairments identified during the current financial year.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(ii) Recoverability of receivables

The Group establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability the directors consider factors such as the ageing of the receivables, whether the receivables are covered by credit insurance, past experience of recoverability, and the credit profile of individual or groups of customers.

3 Operating profit

	2018	2017
	£	£
Operating profit for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	6,000	10,000
Other services	4,000	-
Operating lease charges	4,379	6,568

FORUM HEALTH PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

4 Employees

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

	2018 Number	2017 Number
Sales and marketing	-	1
Finance and operations	2	2
Technical	1	-
Directors	2	1
	<u>5</u>	<u>4</u>

Their aggregate remuneration comprised:

	2018 £	2017 £
Wages and salaries	132,258	247,409
Social security costs	8,359	7,400
Pension costs	4,151	4,057
	<u>144,768</u>	<u>258,866</u>

5 Interest payable and similar expenses

	2018 £	2017 £
Interest on financial liabilities measured at amortised cost:		
Other interest	-	179
Loan interest	1,499	3,874
	<u>1,499</u>	<u>4,053</u>

Disclosed on the profit and loss account as follows:

Other interest payable and similar expenses	<u>1,499</u>	<u>4,053</u>
---	--------------	--------------

6 Taxation

	2018 £	2017 £
Current tax		
UK corporation tax on profits for the current period	201,166	229,696
Adjustments in respect of prior periods	-	29
Total current tax	<u>201,166</u>	<u>229,725</u>

FORUM HEALTH PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

(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:

	2018 £	2017 £
Profit before taxation	1,058,767	1,192,803
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.25%)	201,166	229,579
Tax effect of expenses that are not deductible in determining taxable profit	-	117
Adjustments in respect of prior years	-	29
Taxation charge for the year	201,166	229,725

7 Dividends

	2018 Per share £	2017 Per share £	2018 Total £	2017 Total £
Ordinary shares				
Interim paid	12,000.00	10,000.00	1,200,000	1,000,000
Total dividends				
Interim paid			1,200,000	1,000,000

8 Intangible fixed assets

	Goodwill £
Cost	
At 1 January 2018 and 31 December 2018	1,026,161
Amortisation and impairment	
At 1 January 2018 and 31 December 2018	1,026,161
Carrying amount	
At 31 December 2018	-
At 31 December 2017	-

FORUM HEALTH PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

9 Financial instruments

	2018 £	2017 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	15,799,110	15,947,563
Carrying amount of financial liabilities		
Measured at amortised cost	17,408,308	17,818,808

10 Stocks

	2018 £	2017 £
Finished goods and goods for resale	3,811,143	4,504,141

The cost of goods expensed through the Profit and Loss account was £75,640,578 (2017: £82,278,119).

11 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	14,509,613	15,337,209
Prepayments and accrued income	85,067	68,151
	14,594,680	15,405,360

The Barentz group has a composite banking arrangement with ABN Amro Bank whereby the trade debtors of this company are provided as security for the Barentz group banking facilities

12 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	16,416,244	17,110,443
Amounts owed to group undertakings	836,811	461,332
Corporation tax	91,166	114,696
Other taxation and social security	171,421	236,943
Accruals and deferred income	155,253	247,033
	17,670,895	18,170,447

FORUM HEALTH PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

13 Retirement benefit schemes

	2018 £	2017 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	4,151	4,057

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.

14 Share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

15 Financial commitments, guarantees and contingent liabilities

A standard multilateral bank guarantee is held by NatWest Bank plc with Forum Products Limited, Forum Products Holdings Limited, and Forum Health Products Limited.

16 Related party transactions

Section 33 "Related Party Disclosures" requires disclosure of the details of material transactions between the reporting entity and related parties. The company is exempt from disclosing related party transactions with entities that are part of the Forum Products Holdings Limited group.

17 Controlling party

The company's immediate parent undertaking is Forum Products Holdings Limited a company registered at the same address as Forum Health Products Limited and incorporated in England and Wales. The results of Forum Health Products Limited is included in the immediate parent's consolidated accounts. The company's ultimate parent undertaking is H.L. Barentz B.V., a company registered in The Netherlands.

The ultimate controlling party is Stichting Barentz Beheer (a Trust).

FORUM HEALTH PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

18 Cash generated from operations

	2018	2017
	£	£
Profit for the year after tax	857,601	963,078
Adjustments for:		
Taxation charged	201,166	229,725
Finance costs	1,499	4,053
Foreign exchange gains and losses on cash equivalents	143	(139)
Movements in working capital:		
Decrease in stocks	692,998	590,631
Decrease in debtors	810,680	2,371,238
(Decrease) in creditors	(926,022)	(3,167,612)
Cash generated from operations	1,638,065	990,974