Companies House

Company Registration No. 08923733 (England and Wales)

GIS FORESTRY LIMITED

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

GIS FORESTRY LIMITED

COMPANY INFORMATION

Directors	G Conroy	(Appointed 1 January 2018)
	G Williamson	(Appointed 1 January 2018)
Company number	08923733	
Registered office	Blackwell House Guildhall Yard London EC2V 5AE	
Accountants	Bright Grahame Murray Emperor's Gate 114a Cromwell Road Kensington London SW7 4AG	

GIS FORESTRY LIMITED

CONTENTS

	Page
Directors' report	1
Accountants' report	2
Profit and loss account	3
Balance sheet	4
Notes to the financial statements	5 - 10

GIS FORESTRY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2018

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

Principal activities
The principal activity of the company continued to be that of management and dealing in forestry plantations and assets and issuing of forestry bonds.

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

G Conroy	(Appointed 1 January 2018)
G Williamson	(Appointed 1 January 2018)
C L Williams	(Resigned 1 January 2018)

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

On behalf of the board

....
G Conroy
Director
Date: 5th August 2019

ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF GIS FORESTRY LIMITED FOR THE YEAR ENDED 31 AUGUST 2018

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of GIS Forestry Limited for the year ended 31 August 2018 which comprise the profit and loss account, the balance sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at http://www.icaew.com/en/members/regulations-standards-and-guidance.

This report is made solely to the Board of Directors of GIS Forestry Limited, as a body, in accordance with the terms of our engagement letter dated 8 January 2019. Our work has been undertaken solely to prepare for your approval the financial statements of GIS Forestry Limited and state those matters that we have agreed to state to the Board of Directors of GIS Forestry Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than GIS Forestry Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that GIS Forestry Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of GIS Forestry Limited. You consider that GIS Forestry Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of GIS Forestry Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Bright Grahame Murray.

Bright Grahame Murray
Chartered Accountants
Emperor's Gate
114a Cromwell Road
London
SW7 4AG

6 August 2019

GIS FORESTRY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	2018 £	2017 as restated £
Turnover		713,936	840,000
Cost of sales		-	(199,538)
Gross profit		713,936	640,462
Administrative expenses		(1,558,582)	(136,094)
(Loss)/profit before taxation		(844,646)	504,368
Tax on (loss)/profit		42,628	-
(Loss)/profit for the financial year		(802,018)	504,368

GIS FORESTRY LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2018

		2018		2017 as restated	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	2		5,245		8,541
Current assets					
Debtors	3	6,109,016		4,681,703	
Creditors: amounts falling due within one year	4	(1,091,000)		(42,628)	
Net current assets			5,018,016		4,639,075
Total assets less current liabilities			5,023,261		4,647,616
Creditors: amounts falling due after more than one year	5		(5,625,663)		(4,448,000)
Net (liabilities)/assets			(602,402)		199,616
Capital and reserves					
Called up share capital	6		100		100
Profit and loss reserves			(602,502)		199,516
Total equity			(602,402)		199,616

For the financial year ended 31 August 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the board of directors and authorised for issue on ..5th August 2019 and are signed on its behalf by:

....

G Conroy
Director

Company Registration No. 08923733

1 Accounting policies

Company information

GIS Forestry Limited is a private company limited by shares incorporated in England and Wales. The registered office is Blackwell House, Guildhall Yard, London, EC2V 5AE.

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods provided in the normal course of business. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

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.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	3 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1 Accounting policies **(Continued)**

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.5 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.6 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 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. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

2 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 September 2017 and 31 August 2018	9,887
Depreciation and impairment	
At 1 September 2017	1,346
Depreciation charged in the year	3,296
At 31 August 2018	4,642
Carrying amount	
At 31 August 2018	5,245
At 31 August 2017	8,541

3 Debtors

	2018	2017
Amounts falling due within one year:	£	£
Amounts owed by group undertakings	4,861,679	3,500,478
Other debtors	1,247,337	1,181,225
	6,109,016	4,681,703

4 Creditors: amounts falling due within one year

	2018	2017
	£	£
Corporation tax	-	42,628
Other creditors	1,091,000	-
	1,091,000	42,628

5 Creditors: amounts falling due after more than one year

	2018	2017
	£	£
Other creditors	5,625,663	4,448,000

6 Called up share capital

	2018	2017
	£	£
Ordinary share capital		
Issued and fully paid		
100 Alloted, Called up & fully paid of £1 each	100	100
	100	100

7 Prior period adjustment

Changes to the balance sheet

	At 31 August 2017		
	As previously reported	Adjustment	As restated
	£	£	£
Fixed assets			
Other intangibles	20,000	(20,000)	-
Tangible assets	686,387	(677,846)	8,541
Current assets			
Stocks	37,143,600	(37,143,600)	-
Debtors due within one year	1,909,263	2,772,440	4,681,703
Net assets	35,268,622	(35,069,006)	199,616

7 Prior period adjustment (Continued)

	At 31 August 2017		
	As previously reported	Adjustment	As restated
Capital and reserves			
Revaluation reserve	35,140,846	(35,140,846)	-
Profit and loss	127,676	71,840	199,516
Total equity	35,268,622	(35,069,006)	199,616

Other intangibles
Fees of £50,000 were incurred in 2015 for FCA regulated promotion. The cost was capitalised and recognised as an intangible asset and amortised over 5 years. However, it does not meet the recognition criteria of an intangible asset and the net book value amount of £20,000 has been transferred to prepayment.

Tangible assets
Tangible assets include cost of Land and Property and Plant and machinery of £693,450 and £56,236 respectively. These assets are not owned by the company but by a related company in Brazil. These assets have been transferred to debtors. Depreciation on these assets should not have been provided in the accounts for the previous year and have therefore been adjusted to Profit and loss reserve. No depreciation was charged in 2017 and therefore has no effect on the profit and loss account in the year.

Stocks
Stocks include plantation assets in Brazil which is not owned by the company. Stocks have therefore been transferred to debtors.

Stocks were also revalued in previous years and the revaluation reserve has been reversed.

Changes to the profit and loss account

	Period ended 31 August 2017		
	As previously reported	Adjustment	As restated
	£	£	£
Profit for the financial period	504,368	-	504,368