

## **A & S Forklift Services Ltd**

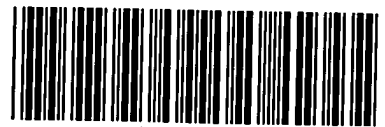
Director's Report and Financial Statements

Year ended

31 December 2022

Company Number SC153913

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# **A & S Forklift Services Ltd**

## **Company Information**

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<b>Directors</b>	J Craig K Robertson S Scott
<b>Registered number</b>	SC153913
<b>Registered office</b>	Minto Drive Altens Industrial Estate Aberdeen AB12 3LW
<b>Independent auditor</b>	BDO LLP 3 Hardman Street Manchester M3 3AT

# A & S Forklift Services Ltd

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# **A & S Forklift Services Ltd**

## **Directors' Report For the Year Ending 31 December 2022**

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The directors present their report together with the audited financial statements for the period ended 31 December 2022.

### **Principal activity**

The principal activity of the Company during the year was the hire of forklifts and other mechanical handling equipment. The Company is also involved in the repair and sale of these items.

### **Results and dividends**

The profit for the year, after taxation, amounted to £149,890 (2021 - £84,343).

The Directors did not recommend the payment of dividend for the year (2021 - £Nil).

### **Directors**

The Directors who served during the year were:

J Craig  
K Robertson  
S Scott

### **Qualifying third party indemnity provisions**

Qualifying third party indemnity provisions were in place for the benefit of all Directors during the financial year.

### **Disclosure of information to auditor**

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the Director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

### **Going concern**

The company's forecasts and projections, taking into account of reasonably possible changes in trading performance, show that the company will operate within the level of its banking facilities whilst meeting all related banking covenants.

The Directors have been monitoring and will continue to monitor the current impact to the business of the Russia-Ukraine crises, a number of key suppliers have been impacted on their supply chain which has adversely impacted lead times and continues to do so. Key suppliers have indicated that they expect this to be a short to medium term issue. Our fleet is regularly reviewed and renewed when required so lead times on deliveries and supply can be monitored.

Over the last 12 months there has been significant volatility with energy and fuel prices. The company has a proactive partnership with energy brokers to ensure buying decisions are expert led to mitigate risk.

Wage inflation had a more significant impact in the financial year than in previous years, as we moved to a more frequent review of pay rates due to rising demands for people in the post pandemic and post Brexit world. The Directors have made the decision to increase charge out rates where possible to counter act these rising costs.

The UK is in period of high inflation and in turn rising Bank of England base rates. All new equipment finance is secured at fixed rates, so the impact of rising interest rates is clearly understood and built into our customer hire rates.

# **A & S Forklift Services Ltd**

## **Directors' Report For the Year Ending 31 December 2022 (continued)**

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### **Going concern (continued)**

The business has £0.5m of cash reserves on the balance sheet giving a healthy working capital. This headroom allows the directors to be comfortable that they can continue ongoing operations.

The directors therefore have a reasonable expectation that the company have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.


### **Auditor**

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

### **Small companies note**

In preparing this report, the Directors have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 28<sup>th</sup> April 2023 and signed on its behalf.



**J Craig**  
Director

# **A & S Forklift Services Ltd**

## **Directors' Responsibilities Statement For the Year Ending 31 December 2022**

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The Directors are responsible for preparing the Directors' 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; and
- 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 to 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.

# **A & S Forklift Services Ltd**

## **Independent Auditor's Report to the Members of A & S Forklift Services Limited**

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### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 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.

We have audited the financial statements of A & S Forklift Services Limited ("the Company") for the year ended 31 December 2022 which comprise Statement of Comprehensive Income, Statement of Financial Position, 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

### **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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence**

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.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

### **Other information**

The Directors are responsible for the other information. The other information comprises the information included in the Directors report and financial statements, 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

# **A & S Forklift Services Ltd**

## **Independent Auditor's Report to the Members of A & S Forklift Services Limited (continued)**

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### **Other Companies Act 2006 reporting**

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.

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 Directors' report.

We have nothing to report in respect of the following matters in relation to which 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, 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.

#### *Extent to which the audit was capable of detecting irregularities, including fraud*

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:



## A & S Forklift Services Ltd

### Independent Auditor's Report to the Members of A & S Forklift Services Limited (continued)

Based on our understanding and accumulated knowledge of the Company and the sector in which it operates we considered the risk of acts by the Company which were contrary to applicable laws and regulations, including fraud and whether such actions or non-compliance might have a material effect on the financial statements. These included but were not limited to those that relate to the form and content of the financial statements, such as the Company accounting policies, 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) and the UK Companies Act 2006; those that relate to the payment of employees; and industry related such as compliance with health and safety legislation. All team members were briefed to ensure they were aware of any relevant regulations in relation to their work.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in accounting estimates as well as inappropriate revenue cut-off. Our audit procedures included, but were not limited to:

- Agreement of the financial statement disclosures to underlying supporting documentation;
- Challenging assumptions and judgements made by management in their significant accounting estimates in particular in relation to the provision against bad and doubtful trade debtors and useful economic lives of tangible assets;
- Identifying and testing journal entries, in particular review of journal entries posted to revenue and cash accounts and accounts combination of revenue related journals;
- Testing a sample of revenue recognised either side of the period end to ensure revenue has been recognised in the correct period;
- Obtaining an understanding of the control environment in monitoring compliance with laws and regulations; and
- Discussions with management and those charged with governance, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### 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.

DocuSigned by:

Graham Ellis

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Graham Ellis (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor  
Manchester, UK

28 April 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# A & S Forklift Services Ltd

## Statement of Comprehensive Income For the Year Ending 31 December 2022

	2022 £	2021 £
Turnover	833,305	876,279
Cost of sales	(625,000)	(718,582)
<b>Gross profit</b>	<b>208,305</b>	<b>157,697</b>
Administrative expenses	(43,154)	(11,662)
Other operating income	31,750	-
<b>Operating profit</b>	<b>196,901</b>	<b>146,035</b>
Finance costs	(3,581)	(4,099)
<b>Profit before taxation</b>	<b>193,320</b>	<b>141,936</b>
Tax on profit	(25,930)	(57,593)
<b>Profit and total comprehensive income attributable to the equity holders of the company</b>	<b>167,390</b>	<b>84,343</b>

There was no other comprehensive income for 2022 (2021 - £Nil).

The notes on pages 9 to 17 form part of these financial statements.

# A & S Forklift Services Ltd

Registered number: SC153913

## Statement of Financial Position As at 31 December 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	5	1,136,236	503,843
<b>Current assets</b>			
Debtors	6	176,644	104,026
Cash at bank and in hand		470,585	208,510
		<u>647,229</u>	<u>312,536</u>
Creditors: amounts falling due within one year	7	<u>(1,145,681)</u>	<u>(353,165)</u>
<b>Net current liabilities</b>		<b>(498,452)</b>	<b>(40,629)</b>
<b>Total assets less current liabilities</b>		<b>637,784</b>	<b>463,214</b>
Creditors: amounts falling due after more than one year	8	(47,064)	(67,322)
Deferred tax	10	(79,108)	(51,670)
<b>Net assets</b>		<b>511,612</b>	<b>344,222</b>
<b>Capital and reserves</b>			
Called up share capital	11, 12	2	2
Share Premium	12	10,000	10,000
Profit and loss account	12	501,610	334,220
<b>Total shareholders' funds</b>		<b>511,612</b>	<b>344,222</b>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

28<sup>th</sup> April 2023  


**J Craig**  
Director

The notes on pages 9 to 17 form part of these financial statements.

# A & S Forklift Services Ltd

## Notes to the Financial Statements For the Year Ended 31 December 2022

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### 1 General information

A & S Forklift Services Limited is a private Company, limited by shares, incorporated in Scotland under the Companies Act 2006. The address of the registered office is given on the Company Information page and the nature of the Company's operations and its principal activities are set out in the Directors' Report.

### 2 Accounting policies

#### a) *Basis of preparation of financial statements*

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The functional and presentational currency is pounds sterling and amounts presented in these financial statements are rounded to the nearest pound.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

#### b) *Going concern*

The company's forecasts and projections, taking into account of reasonably possible changes in trading performance, show that the company will operate within the level of its banking facilities whilst meeting all related banking covenants.

The Directors have been monitoring and will continue to monitor the current impact to the business of the Russia-Ukraine crises, a number of key suppliers have been impacted on their supply chain which has adversely impacted lead times and continues to do so. Key suppliers have indicated that they expect this to be a short to medium term issue. Our fleet is regularly reviewed and renewed when required so lead times on deliveries and supply can be monitored.

Over the last 12 months there has been significant volatility with energy and fuel prices. The company has a pro-active partnership with energy brokers to ensure buying decisions are expert led to mitigate risk.

Wage inflation had a more significant impact in the financial year than in previous years, as we moved to a more frequent review of pay rates due to rising demands for people in the post pandemic and post Brexit world. The Directors have made the decision to increase charge out rates where possible to counter act these rising costs.

The UK is in period of high inflation and in turn rising Bank of England base rates. All new equipment finance is secured at fixed rates, so the impact of rising interest rates is clearly understood and built into our customer hire rates.

The business has £0.5m of cash reserves on the balance sheet giving a healthy working capital. This headroom allows the directors to be comfortable that they can continue ongoing operations.

The directors therefore have a reasonable expectation that the company have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

# A & S Forklift Services Ltd

## Notes to the Financial Statements For the Year Ended 31 December 2022 (continued)

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### 2 Accounting policies (continued)

#### c) *Turnover*

Turnover is stated net of VAT and trade discounts and is recognised when the significant risks and rewards are considered to have been transferred to the buyer.

Turnover from the sale of goods is recognised when the goods are physically delivered to the customer.

Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the fair value of the consideration received or receivable. Where a contract has only been partially completed at the balance sheet date turnover represents the fair value of the service provided to date based on the stage of completion of the contract activity at the balance sheet date. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year.

#### d) *Operating leases: the Company as lessee*

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

#### e) *Leased assets: the Company as lessee*

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Comprehensive Income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

#### f) *Finance costs*

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

#### g) *Pensions*

##### *Defined contribution pension plan*

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

# Forklift Services Ltd

## Notes to the Financial Statements For the Year Ended 31 December 2022 (continued)

### 2 Accounting policies (continued)

#### *h) Current and deferred taxation*

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

#### *i) Impairment of assets*

Assets, other than those measured at fair value, are assessed for indicators of impairment at each year-end date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Comprehensive Income as described below.

##### *Non-financial assets*

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

##### *Financial assets*

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

# A & S Forklift Services Ltd

## Notes to the Financial Statements For the Year Ended 31 December 2022 (continued)

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### 2 Accounting policies (continued)

#### j) *Tangible fixed assets*

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Plant and machinery	- 10%-15% straight line to a residual of 10%
Motor vehicles	- 20% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

#### j) *Tangible fixed assets (continued)*

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

#### k) *Debtors*

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

#### l) *Cash and cash equivalents*

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

#### m) *Creditors*

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

#### n) *Financial instruments*

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

# A & S Forklift Services Ltd

## Notes to the Financial Statements For the Year Ended 31 December 2022 (continued)

### 2 Accounting policies (continued)

#### n) *Financial instruments (continued)*

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an 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.

### 3 Judgements in applying accounting policies 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 value 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### *Key sources of estimation uncertainty*

##### *Provision against bad and doubtful amounts receivable*

Customer and other debtors are reviewed on a line-by-line basis at each financial period end. Provision against debtors, which is netted against the debtors to which it relates, is made where a debtor is aged over 120 days, or prior to this where management have specific reason to believe that the debtor may not be fully or partly recoverable. As at the year-end the Directors have no material concerns over the recoverability of the Company's debtors.



# A & S Forklift Services Ltd

## Notes to the Financial Statements For the Year Ended 31 December 2022 (continued)

### 3 Judgements in applying accounting policies and key sources of estimation uncertainty (continued)

#### *Useful economic lives of tangible fixed assets*

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual value of the assets. The useful economic lives and residual values are reassessed annually. they are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

### 4 Employees

The average monthly number of employees, including Directors, during the year was 5 (2021 - 5).

### 5 Tangible fixed assets

	<b>Plant and machinery £</b>	<b>Motor vehicles £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 January 2022	886,178	40,585	926,763
Additions	654,357	98,618	752,975
Disposals	(59,889)	(10,180)	(70,069)
	<hr/>	<hr/>	<hr/>
<b>At 31 December 2022</b>	<b>1,480,646</b>	<b>129,023</b>	<b>1,609,669</b>
	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>			
At 1 January 2022	407,205	15,715	422,920
Charge for the period	106,251	8,468	114,719
Disposals	(54,026)	(10,180)	(64,206)
	<hr/>	<hr/>	<hr/>
<b>At 31 December 2022</b>	<b>459,430</b>	<b>14,003</b>	<b>473,433</b>
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
<b>At 31 December 2022</b>	<b>1,021,216</b>	<b>115,020</b>	<b>1,136,236</b>
	<hr/>	<hr/>	<hr/>
At 31 December 2021	478,973	24,870	503,843
	<hr/>	<hr/>	<hr/>

#### *Finance leases*

The net book value of assets held under finance lease is £84,664 (2021 - £96,617).

# A & S Forklift Services Ltd

## Notes to the Financial Statements For the Year Ended 31 December 2022 (continued)

### 6 Debtors

	2022 £	2021 £
Trade debtors	121,199	97,336
Amounts owed by group undertakings	17,500	-
Corporation tax	12,362	6,690
VAT repayable	25,451	-
Other debtors	132	-
	<u>176,644</u>	<u>104,026</u>

Bad and doubtful debts impairment during the year was £20,127 (2021 - £5,934)

### 7 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	704,121	3,039
Amounts owed to group undertakings	355,000	318,668
Obligations under finance lease and hire purchase contracts	20,258	20,258
Other taxation and social security	-	11,200
Accruals and deferred income	66,302	-
	<u>1,145,681</u>	<u>353,165</u>

Amounts owed to group undertakings are interest free and repayable on demand.

Obligations under finance leases and hire purchase contracts are secured over the assets to which they relate.

### 8 Creditors: amounts falling after more than one year

	2022 £	2021 £
Net obligations under finance leases and hire purchase contracts	<u>47,064</u>	<u>67,322</u>

### 9 Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2022 £	2021 £
Within one year	20,258	20,258
Between 1-2 years	20,258	20,258
Between 2-5 years	26,806	47,064
	<u>67,322</u>	<u>87,580</u>

# A & S Forklift Services Limited

## Notes to the Financial Statements For the Year Ended 31 December 2022 (continued)

### 10 Deferred taxation

	2022 £
At 1 January 2022	51,670
Charged to statement of comprehensive income	27,438
	<hr/>
<b>At 31 December 2022</b>	<b>79,108</b>
	<hr/> <hr/>

The provision for deferred taxation is made up as follows:

	2022 £	2021 £
Accelerated capital allowances	72,226	49,763
Other timing differences	6,882	1,907
	<hr/>	<hr/>
	<b>79,108</b>	<b>51,670</b>
	<hr/> <hr/>	<hr/> <hr/>

### 11 Share capital

	2022 £	2021 £
<i>Allotted, called up and fully paid</i>		
2 (2021 - 2) Ordinary shares of £1 each	2	2
	<hr/>	<hr/>

The Company has one class of ordinary shares which carry no right to fixed income.

### 12 Reserves

The Company's capital and reserves are as follows:

*Called up share capital*

Called up share capital represents the nominal value of the shares issued.

*Share premium account*

The share premium account contains the premium arising on issue of equity shares, net of issue expenses.

*Profit and loss account*

The profit and loss account represents cumulative profits or losses, net of dividends paid.

# **A & S Forklift Services Limited**

## **Notes to the Financial Statements For the Year Ended 31 December 2022 (continued)**

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### **13 Related party transactions**

The Company has taken advantage of the exemption conferred by Financial Reporting Standard 102 paragraph 1AC.35 not to disclose transactions with certain group companies on the grounds that 100% of the voting rights in the Company are controlled by the group.

### **14 Controlling party**

The immediate parent company is MHS Group (Holdings) Limited, a company registered in England and Wales.

The ultimate parent company is Orange UK (Holdings) Limited, a company registered in England and Wales.

The smallest group in which the results of the Company are consolidated is that headed by CorpAcq Limited, a company registered in England and Wales with registered office CorpAcq House, 1 Goose Green, Altrincham, Cheshire, United Kingdom, WA14 1DW.

The largest group in which the results of the Company are consolidated is that headed by Orange UK Holdings Limited, which is also the ultimate parent company. Orange UK Holdings Limited is a company registered in England and Wales with registered office 1 Goose Green, Altrincham, Cheshire, England, WA14 1DW.

The ultimate controlling party is Mr S Orange by virtue of his shareholding in the ultimate parent company.