

Company Registration No. SC104949 (Scotland)

**FORSBERG SERVICES LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**  
**PAGES FOR FILING WITH REGISTRAR**

THURSDAY



A12 \*A7EWZJHK\* 20/09/2018 #126  
COMPANIES HOUSE

# **FORSBERG SERVICES LIMITED**

## **COMPANY INFORMATION**

---

**Directors** Mr F C W Forsberg  
Mr C J A Mayne

**Secretary** Mrs L H Hintz

**Company number** SC104949

**Registered office** 1 East Craibstone Street  
Aberdeen  
AB11 6YQ

**Accountants** CLB Coopers  
Fleet House  
New Road  
Lancaster  
LA1 1EZ

---

# **FORSBERG SERVICES LIMITED**

## **ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF FORSBERG SERVICES LIMITED FOR THE YEAR ENDED 31 DECEMBER 2017**

---

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Forsberg Services Limited for the year ended 31 December 2017 which comprise, the Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

This report is made solely to the Board of Directors of Forsberg Services Limited, as a body, in accordance with the terms of our engagement letter dated 21 February 2017. Our work has been undertaken solely to prepare for your approval the financial statements of Forsberg Services Limited and state those matters that we have agreed to state to the Board of Directors of Forsberg Services Limited, as a body, in this report. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Forsberg Services Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Forsberg Services 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 profit of Forsberg Services Limited. You consider that Forsberg Services 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 Forsberg Services 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.

*CLB Coopers*

**CLB Coopers**

**Accountants**

*18/9/18*

Fleet House  
New Road  
Lancaster  
LA1 1EZ

# **FORSBERG SERVICES LIMITED**

## **BALANCE SHEET**

**AS AT 31 DECEMBER 2017**

|   |              | <b>2017</b>        |                  | <b>2016</b>        |                |
|---|--------------|--------------------|------------------|--------------------|----------------|
|   |              |                    |                  | <b>as restated</b> |                |
|   | <b>Notes</b> | <b>£</b>           | <b>£</b>         | <b>£</b>           | <b>£</b>       |
| <b>Fixed assets</b>                                   |              |                    |                  |                    |                |
| Intangible assets                                     |              |                    | 975,274          |                    | 696,032        |
| Tangible assets                                       | <b>4</b>     |                    | 56,204           |                    | 44,791         |
| <b>Current assets</b>                                 |              |                    |                  |                    |                |
| Stocks  |              | 370,053            |                  | 504,686            |                |
| Debtors   | <b>5</b>     | 986,884            |                  | 631,374            |                |
| Cash at bank and in hand                              |              | 124,369            |                  | 229,980            |                |
|   |              | <u>1,481,306</u>   |                  | <u>1,366,040</u>   |                |
| <b>Creditors: amounts falling due within one year</b> | <b>6</b>     | <u>(1,048,441)</u> |                  | <u>(1,106,870)</u> |                |
| <b>Net current assets</b>                             |              |                    | 432,865          |                    | 259,170        |
| <b>Total assets less current liabilities</b>          |              |                    | <u>1,464,343</u> |                    | <u>999,993</u> |
| <b>Provisions for liabilities</b>                     |              |                    | (7,160)          |                    | (4,962)        |
| <b>Net assets</b>                                     |              |                    | <u>1,457,183</u> |                    | <u>995,031</u> |
| <b>Capital and reserves</b>                           |              |                    |                  |                    |                |
| Called up share capital                               | <b>7</b>     |                    | 100              |                    | 100            |
| Profit and loss reserves                              |              |                    | 1,457,083        |                    | 994,931        |
| <b>Total equity</b>                                   |              |                    | <u>1,457,183</u> |                    | <u>995,031</u> |

# **FORSBERG SERVICES LIMITED**

## **BALANCE SHEET (CONTINUED)**

**AS AT 31 DECEMBER 2017**

---

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2017 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 and delivered 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 18/9/18 and are signed on its behalf by:

  
.....  
Mr F C W Forsberg

**Director**

**Company Registration No. SC104949**

# **FORSBERG SERVICES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

---

### **1 Accounting policies**

#### **Company information**

Forsberg Services Limited is a private company limited by shares incorporated in Scotland. The registered office is 1 East Craibstone Street, Aberdeen, AB11 6YQ.

The company trades from its premises at Richmond House, White Cross, Lancaster, LA1 4XF.

#### **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 and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

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.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

#### **1.3 Intangible fixed assets - goodwill**

Goodwill represents the excess of the cost of acquisition of a customer list and product line over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 5 years.

#### **1.4 Intangible fixed assets other than goodwill**

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost or value of the asset can be measured reliably.

# **FORSBERG SERVICES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2017**

#### **1 Accounting policies**

**(Continued)**

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

Amortisation 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:

|             |  |
|-------------|--|
| Patents     | 33% straight line once benefits receivable |
| Development | over the useful life of the asset          |

#### **1.5 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:

|                                  |                      |
|----------------------------------|----------------------|
| Other fixed assets               | 25% reducing balance |
| Fixtures, fittings and equipment | 25% reducing balance |
| Computer equipment               | 25% reducing balance |
| Motor vehicles                   | 25% reducing balance |

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.

#### **1.6 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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.

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.

# **FORSBERG SERVICES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2017**

---

#### **1 Accounting policies**

**(Continued)**

##### **1.7 Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

##### **1.8 Cash and cash equivalents**

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.

##### **1.9 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.

##### ***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.



# **FORSBERG SERVICES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2017**

---

#### **1 Accounting policies**

**(Continued)**

##### **1.10 Equity instruments**

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

##### **1.11 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.

##### **1.12 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.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### **1.13 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

##### **1.14 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

# **FORSBERG SERVICES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2017**

#### **1 Accounting policies**

**(Continued)**

##### **1.15 Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

##### **1.16 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 Employees**

The average monthly number of persons (including directors) employed by the company during the year was 26 (2016 - 26).

#### **3 Intangible fixed assets**

|                                    | <b>Goodwill</b> | <b>Patents</b> | <b>Development</b> | <b>Total</b> |
|------------------------------------|-----------------|----------------|--------------------|--------------|
|                                    | <b>£</b>        | <b>£</b>       | <b>£</b>           | <b>£</b>     |
| <b>Cost</b>                        |                 |                |                    |              |
| At 1 January 2017                  | 268,103         | 2,450          | 839,630            | 1,110,183    |
| Additions - separately acquired    | -               | -              | 452,745            | 452,745      |
| At 31 December 2017                | 268,103         | 2,450          | 1,292,375          | 1,562,928    |
| <b>Amortisation and impairment</b> |                 |                |                    |              |
| At 1 January 2017                  | 89,368          | 2,450          | 322,333            | 414,151      |
| Amortisation charged for the year  | 53,621          | -              | 119,882            | 173,503      |
| At 31 December 2017                | 142,989         | 2,450          | 442,215            | 587,654      |
| <b>Carrying amount</b>             |                 |                |                    |              |
| At 31 December 2017                | 125,114         | -              | 850,160            | 975,274      |
| At 31 December 2016                | 178,735         | -              | 517,297            | 696,032      |

# **FORSBERG SERVICES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

### **4 Tangible fixed assets**

|                                    | Other fixed<br>assets | Fixtures,<br>fittings and<br>equipment | Computer<br>equipment | Motor<br>vehicles | Total   |
|------------------------------------|-----------------------|--|-----------------------|-------------------|---------|
|                                    | £                     | £                                      | £                     | £                 | £       |
| <b>Cost</b>                        |                       |  |                       |                   |         |
| At 1 January 2017                  | 48,743                | 25,823                                 | 67,360                | 35,847            | 177,773 |
| Additions                          | -                     | 13,952                                 | 16,196                | -                 | 30,148  |
| At 31 December 2017                | 48,743                | 39,775                                 | 83,556                | 35,847            | 207,921 |
| <b>Depreciation and impairment</b> |                       |  |                       |                   |         |
| At 1 January 2017                  | 36,999                | 18,726                                 | 48,518                | 28,739            | 132,982 |
| Depreciation charged in the year   | 2,936                 | 5,262                                  | 8,760                 | 1,777             | 18,735  |
| At 31 December 2017                | 39,935                | 23,988                                 | 57,278                | 30,516            | 151,717 |
| <b>Carrying amount</b>             |                       |  |                       |                   |         |
| At 31 December 2017                | 8,808                 | 15,787                                 | 26,278                | 5,331             | 56,204  |
| At 31 December 2016                | 11,744                | 7,097                                  | 18,842                | 7,108             | 44,791  |

### **5 Debtors**

|  | 2017    | 2016    |
|--|---------|---------|
|  | £       | £       |
| <b>Amounts falling due within one year:</b>          |         |         |
| Trade debtors  | 644,632 | 551,936 |
| Amounts owed by group undertakings                   | 34,125  | -       |
| Other debtors  | 141,363 | 4,377   |
| Prepayments and accrued income                       | 166,764 | 75,020  |
|  | 986,884 | 631,333 |
| <b>Amounts falling due after more than one year:</b> |         |         |
| Other debtors  | -       | 41      |
| <b>Total debtors</b>                                 | 986,884 | 631,374 |

# **FORSBERG SERVICES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 31 DECEMBER 2017**

### **6 Creditors: amounts falling due within one year**

|                                    | <b>Notes</b> | <b>2017</b><br><b>£</b> | <b>2016</b><br><b>£</b> |
|------------------------------------|--------------|-------------------------|-------------------------|
| Bank loans and overdrafts          |              | 6,385                   | 139,917                 |
| Trade creditors                    |              | 625,410                 | 766,572                 |
| Amounts due to group undertakings  |              | 46,525                  | 46,580                  |
| Corporation tax                    |              | -                       | 44,613                  |
| Other taxation and social security |              | 133,243                 | 36,659                  |
| Other creditors                    |              | 62,425                  | 57,155                  |
| Accruals and deferred income       |              | 174,453                 | 15,374                  |
|                                    |              | <u>1,048,441</u>        | <u>1,106,870</u>        |

### **7 Called up share capital**

|                                 | <b>2017</b><br><b>£</b> | <b>2016</b><br><b>£</b> |
|---------------------------------|-------------------------|-------------------------|
| <b>Ordinary share capital</b>   |                         |                         |
| <b>Issued and fully paid</b>    |                         |                         |
| 85 Ordinary A shares of £1 each | 85                      | 85                      |
| 15 Ordinary B shares of £1 each | 15                      | 15                      |
|                                 | <u>100</u>              | <u>100</u>              |

### **8 Operating lease commitments**

#### **Lessee**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

| <b>2017</b><br><b>£</b> | <b>2016</b><br><b>£</b> |
|-------------------------|-------------------------|
| <u>12,488</u>           | <u>18,617</u>           |

### **9 Related party transactions**

#### **Transactions with related parties**

During the year the company entered into the following transactions with related parties:

|                       | <b>Subcontracted work</b> |                         |
|-----------------------|---------------------------|-------------------------|
|                       | <b>2017</b><br><b>£</b>   | <b>2016</b><br><b>£</b> |
| Other related parties | <u>34,125</u>             | <u>-</u>                |

# **FORSBERG SERVICES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 31 DECEMBER 2017**

### **9 Related party transactions (Continued)**

The following amounts were outstanding at the reporting end date:

|  | <b>2017</b> | <b>2016</b> |
|--|-------------|-------------|
|  | <b>£</b>    | <b>£</b>    |
| <b>Amounts owed to related parties</b> |             |             |
| Other related parties                  | 89,026      | 56,679      |

The following amounts were outstanding at the reporting end date:

|  | <b>2017</b>    |
|--|----------------|
|  | <b>Balance</b> |
|  | <b>£</b>       |
| <b>Amounts owed by related parties</b> |                |
| Other related parties                  | 34,125         |

There were no amounts owed in the previous period.

The company has taken advantage of the exemption contained in Section 33 of FRS 102 "Related Party Disclosures" from disclosing transactions with entities which are part of the group, where 100% of the voting rights in the entities are controlled within the group.

### **10 Prior period adjustment**

During the prior year costs of £308,139 were expenses to the profit and loss account instead of being capitalised as development costs in line with the company's accounting policy. The prior year adjustment has increased opening intangible development costs and profit and loss reserves by £308,139.

#### **Reconciliation of changes in equity**

|                                     | <b>1 January</b> | <b>31 December</b> |
|-------------------------------------|------------------|--------------------|
|                                     | <b>2016</b>      | <b>2016</b>        |
|                                     | <b>£</b>         | <b>£</b>           |
| <b>Notes</b>                        |                  |                    |
| Equity as previously reported       | 586,917          | 686,892            |
| <b>Adjustments to prior year</b>    |                  |                    |
| Capitalisation of development costs | -                | 308,139            |
| Equity as adjusted                  | 586,917          | 995,031            |