

FORWARD WASTE MANAGEMENT LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

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FOR THE YEAR ENDED 30 JUNE 2018**

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DIRECTORS: L P L Ward
W J Ward
J A Jasper
P J Roberts
R C Brown

SECRETARY: L P L Ward

REGISTERED OFFICE: Forward House
East Moors Road
CARDIFF
CF24 5EE

REGISTERED NUMBER: 05886274 (England and Wales)

ACCOUNTANTS: Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

BALANCE SHEET
30 JUNE 2018

	Notes	2018 £	2017 £
FIXED ASSETS			
Intangible assets	4	1,010	1,514
Tangible assets	5	1,680,395	1,466,020
Investments	6	49,296	49,296
		<u>1,730,701</u>	<u>1,516,830</u>
CURRENT ASSETS			
Stocks		27,097	19,400
Debtors	7	1,824,734	1,655,881
Cash at bank and in hand		142,855	85,277
		<u>1,994,686</u>	<u>1,760,558</u>
CREDITORS			
Amounts falling due within one year	8	(2,253,373)	(2,139,596)
NET CURRENT LIABILITIES		<u>(258,687)</u>	<u>(379,038)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,472,014	1,137,792
CREDITORS			
Amounts falling due after more than one year	9	(440,116)	(553,582)
NET ASSETS		<u>1,031,898</u>	<u>584,210</u>
CAPITAL AND RESERVES			
Called up share capital	13	2,000	2,000
Retained earnings	14	1,029,898	582,210
SHAREHOLDERS' FUNDS		<u>1,031,898</u>	<u>584,210</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 June 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 June 2018 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of
- (b) Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

BALANCE SHEET - continued
30 JUNE 2018

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Profit and Loss Account has not been delivered.

The financial statements were approved for issue by the Board of Directors on 5 October 2018 and were signed on its behalf by:

L P L Ward - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

1. STATUTORY INFORMATION

Forward Waste Management Limited is a private company, limited by shares, registered in England and Wales.

The company's registered number and registered office address can be found on the Company Information page.

The company's functional and presentational currency in the financial statements is the Sterling (£), rounded to the nearest pound.

The significant accounting policies applied in the presentation of these financial statements are set out below.

These policies have been consistently applied to all years presented unless otherwise stated.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

There have been no material departures from Financial Reporting Standard 102 1A.

Going concern

At 30 June 2018 the company had net current liabilities of £258,687 (2017- £379,038). The directors are confident that the company will continue to trade profitably and generate sufficient funds in order to pay creditors

as they fall due. The majority of tangible fixed assets are the subject of rental contracts with customers and

produce a gross rental income of approximately £460,000 per annum. Accordingly, the going concern basis

adopted for the preparation of the financial statements is considered to be appropriate.

Preparation of consolidated financial statements

The financial statements contain information about Forward Waste Management Limited as an individual

company and do not contain consolidated financial information as the parent of a group. The company has

taken the option under Section 399 of the Companies Act 2006 not to prepare consolidated financial statements.

Turnover

Turnover represents amounts chargeable in respect of the sale of goods and services and rentals receivable

from customers net of value added tax.

Goodwill

On 1 April 2011, goodwill was transferred with the trade, assets and liabilities from a group company. Goodwill,

being the amount paid in connection with the acquisition of a business in 2005, which has been fully amortised

over a period of 10 years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost

less any accumulated amortisation and any accumulated impairment losses.

Design costs for compactor build are being amortised evenly over their estimated useful life of three years.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes costs directly attributable

to making the asset capable of operating as intended.

Depreciation is provided at rates calculated to write off fixed assets, less their estimated residual value, over

their expected useful lives on the following bases:

Improvements to property	- 10 - 20% on cost
Plant and machinery	- 10 - 33% on cost
Fixtures and fittings	- 10 - 33% on cost
Motor vehicles	- 33% on cost
Computer equipment	- 33% on cost

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2018**

2. ACCOUNTING POLICIES - continued

Stocks

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

Taxation

Current tax represents the amount expected to be paid or recovered in respect of taxable profits for the year and is calculated using the tax rates and laws that have been enacted or substantially enacted at the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an un-discounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Employee benefits

When employees have rendered service to the company, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

Invoice discounting

The company has in place an invoice discounting arrangement. Invoices which are subject to this arrangement form part of the 'trade debtor' balance, with amounts due to the finance company in respect of advances forming the 'financing of trade debtors' balance within creditors falling due within one year..

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 36 (2017 - 30) .

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NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2018

4. INTANGIBLE FIXED ASSETS

	Goodwill £	Other intangible assets £	Totals £
COST			
At 1 July 2017 and 30 June 2018	<u>36,835</u>	<u>1,604</u>	<u>38,439</u>
AMORTISATION			
At 1 July 2017	36,835	90	36,925
Charge for year	-	504	504
At 30 June 2018	<u>36,835</u>	<u>594</u>	<u>37,429</u>
NET BOOK VALUE			
At 30 June 2018	-	<u>1,010</u>	<u>1,010</u>
At 30 June 2017	-	<u>1,514</u>	<u>1,514</u>

5. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Plant and machinery £
COST			
At 1 July 2017	-	4,625	3,357,956
Additions	33,650	-	311,565
Disposals	-	-	(113,476)
At 30 June 2018	<u>33,650</u>	<u>4,625</u>	<u>3,556,045</u>
DEPRECIATION			
At 1 July 2017	-	4,625	1,994,397
Charge for year	-	-	296,633
Eliminated on disposal	-	-	(86,756)
At 30 June 2018	-	<u>4,625</u>	<u>2,204,274</u>
NET BOOK VALUE			
At 30 June 2018	<u>33,650</u>	-	<u>1,351,771</u>
At 30 June 2017	-	-	<u>1,363,559</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2018

5. TANGIBLE FIXED ASSETS - continued

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 July 2017	130,119	63,078	20,648	3,576,426
Additions	186,849	59,285	11,066	602,415
Disposals	(1,242)	-	(764)	(115,482)
At 30 June 2018	<u>315,726</u>	<u>122,363</u>	<u>30,950</u>	<u>4,063,359</u>
DEPRECIATION				
At 1 July 2017	71,934	26,288	13,162	2,110,406
Charge for year	42,959	15,083	6,073	360,748
Eliminated on disposal	(1,008)	-	(426)	(88,190)
At 30 June 2018	<u>113,885</u>	<u>41,371</u>	<u>18,809</u>	<u>2,382,964</u>
NET BOOK VALUE				
At 30 June 2018	<u>201,841</u>	<u>80,992</u>	<u>12,141</u>	<u>1,680,395</u>
At 30 June 2017	<u>58,185</u>	<u>36,790</u>	<u>7,486</u>	<u>1,466,020</u>

All assets classified within 'plant and machinery' are held for use in operating leases.

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 July 2017	428,914	17,175	48,176	494,265
Additions	3,828	-	21,272	25,100
At 30 June 2018	<u>432,742</u>	<u>17,175</u>	<u>69,448</u>	<u>519,365</u>
DEPRECIATION				
At 1 July 2017	84,111	7,155	14,060	105,326
Charge for year	57,018	5,724	10,755	73,497
At 30 June 2018	<u>141,129</u>	<u>12,879</u>	<u>24,815</u>	<u>178,823</u>
NET BOOK VALUE				
At 30 June 2018	<u>291,613</u>	<u>4,296</u>	<u>44,633</u>	<u>340,542</u>
At 30 June 2017	<u>344,803</u>	<u>10,020</u>	<u>34,116</u>	<u>388,939</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2018

6. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 July 2017 and 30 June 2018	<u>49,296</u>
NET BOOK VALUE	
At 30 June 2018	<u>49,296</u>
At 30 June 2017	<u>49,296</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade debtors	1,683,293	1,510,859
Amounts owed by group undertakings	-	3,113
Other debtors	39,360	43,926
Directors' current accounts	-	5,505
Deferred tax asset	2,406	5,768
Prepayments and accrued income	<u>99,675</u>	<u>86,710</u>
	<u>1,824,734</u>	<u>1,655,881</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Bank loans and overdrafts	686	-
Other loans	27,118	33,206
Financing of trade debtors	610,647	530,718
Hire purchase contracts (see note 10)	107,363	106,825
Trade creditors	749,577	1,016,883
Amounts owed to group undertakings	3,000	-
Corporation tax	145,374	63,496
Social security and other taxes	28,884	32,747
VAT	133,954	108,022
Other creditors	5,734	1,997
Amounts due to related party	41	51
Directors' current accounts	4,045	-
Accruals and deferred income	<u>436,950</u>	<u>245,651</u>
	<u>2,253,373</u>	<u>2,139,596</u>

Financing of trade debtors of £610,647 relates to amounts received for invoice discounting. The specific debtors are included within trade debtors of £1,683,293.

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2018 £	2017 £
Bank loans	150,000	150,000
Other loans	-	26,896
Preference shares	138,792	138,792
Hire purchase contracts (see note 10)	<u>151,324</u>	<u>237,894</u>
	<u>440,116</u>	<u>553,582</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2018
9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR - continued
PREFERENCE SHARES

Details of shares shown as liabilities are as follows:

Allotted and issued Number:	Class	Nominal Value:	2018 £	2017 £
138,792	Preference shares	£1	<u>138,792</u>	<u>138,792</u>

The redeemable preference shares are interest bearing (from 1 May 2014) and have no voting rights.

Redemption of the preference shares shall be at the sole instance of the Board of Directors. The preference shares can be redeemed in full or in part at any time if the company serves notice to the preference share holders. Redemption shall carry a premium of 16%.

10. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2018 £	2017 £
Net obligations repayable:		
Within one year	107,363	106,825
Between one and five years	<u>151,324</u>	<u>237,894</u>
	<u>258,687</u>	<u>344,719</u>
	Non-cancellable operating leases	
	2018 £	2017 £
Within one year	96,227	115,751
Between one and five years	91,132	197,087
In more than five years	-	3,557
	<u>187,359</u>	<u>316,395</u>

11. SECURED DEBTS

The following secured debts are included within creditors:

	2018 £	2017 £
Bank overdraft	686	-
Other loans	27,118	60,102
Hire purchase contracts	258,687	344,719
Financing of trade debtors	-	530,718
	<u>286,491</u>	<u>935,539</u>

LPL Ward has personally guaranteed £50,000 of other loans. LPL Ward and WJ Ward have offered warranty and indemnity against the invoice discounting accounts, and have also guaranteed several finance leases taken out by the company. At 30 June 2018, the liability outstanding on these finance leases is £61,121.

12. DEFERRED TAX

Provisions for liabilities in the prior year relate solely to deferred tax.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2018
13. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid: Number:	Class	Nominal value:	2018 £	2017 £
1,200	Ordinary	£1	1,200	1,200
514 (2017 - 800)	Ordinary A	£1	514	800
286 (2017 - nil)	Deferred	£1	286	-
			<u>2,000</u>	<u>2,000</u>

During the year, 286 shares have been amended from Ordinary A shares to deferred shares.

14. RESERVES

	Retained earnings £
At 1 July 2017	582,210
Profit for the year	663,688
Dividends	(216,000)
At 30 June 2018	<u>1,029,898</u>

15. PENSION COMMITMENTS

During the year the company contributed £31,570 (2017: £15,896) into defined contribution pension schemes.

At the year end there was £5,734 (2017: £1,997) outstanding.

16. CONTINGENT LIABILITIES

The company has provided a cross guarantee to secure bank overdrafts, other loans and hire purchase creditors of Enviroquip Limited and Forward Equipment Rentals Limited. As at 30 June 2018, the outstanding liability covered by the cross guarantee is £Nil (2017: £Nil).

17. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

At 30 June 2018, L P L Ward owed the company nil (2017: £5,505). During the year total advances and credits including interest amounted to £128,859, with total repayments being made of £134,364.

At 30 June 2018, the company owed W J Ward £4,045 (2017: £nil). During the year total advances and credits including interest amounted to £77,996, with total repayments being made of £82,041.

Total interest of £nil (2017: £305) has been charged on the directors' loan accounts at a commercial rate of interest.