

Select Timber Products Limited
Filleted Unaudited Financial Statements
28 February 2021

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Select Timber Products Limited

Statement of Financial Position

28 February 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	5	463,054	561,105
Current assets			
Debtors	6	313,910	283,746
Cash at bank and in hand		82,568	34,389
		396,478	318,135
Creditors: amounts falling due within one year	7	(128,454)	(138,353)
Net current assets		268,024	179,782
Total assets less current liabilities		731,078	740,887
Creditors: amounts falling due after more than one year	8	(32,668)	(69,951)
Provisions		(14,269)	—
Net assets		684,141	670,936
Capital and reserves			
Called up share capital		113,160	113,160
Revaluation reserve		97,398	101,363
Capital redemption reserve		12,500	12,500
Profit and loss account		461,083	443,913
Shareholders funds		684,141	670,936

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the income statement has not been delivered.

For the year ending 28 February 2021 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

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

The statement of financial position
continues on the following page.

The notes on pages 3 to 7 form part of these financial statements.

Select Timber Products Limited

Statement of Financial Position *(continued)*

28 February 2021

These financial statements were approved by the board of directors and authorised for issue on 8 December 2021, and are signed on behalf of the board by:



Mr S McCrea
Director

Company registration number: 02423648

The notes on pages 3 to 7 form part of these financial statements.

Select Timber Products Limited

Notes to the Financial Statements

Year ended 28 February 2021

1. General information

The company is a private company limited by shares, registered in England. The address of the registered office is Mill Lane, Donington, Spalding, PE11 4TL.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of plant and machinery measured at fair value, and on a liquidation basis as a result of the events described in note 10 to the financial statements.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Select Timber Products Limited

Notes to the Financial Statements *(continued)*

Year ended 28 February 2021

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss. Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	- 25% reducing balance
Fixtures and fittings	- 25% reducing balance
Motor vehicles	- 25% reducing balance
Office equipment	- 25% reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model.

Select Timber Products Limited

Notes to the Financial Statements *(continued)*

Year ended 28 February 2021

3. Accounting policies *(continued)*

Government grants *(continued)*

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Select Timber Products Limited

Notes to the Financial Statements *(continued)*

Year ended 28 February 2021

3. Accounting policies *(continued)*

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to Nil (2020: 3).

5. Tangible assets

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Office equipment £	Total £
Cost					
At 1 March 2020	2,113,716	116,136	95,094	272,144	2,597,090
Disposals	(48,900)	–	(95,094)	–	(143,994)
At 28 February 2021	<u>2,064,816</u>	<u>116,136</u>	<u>–</u>	<u>272,144</u>	<u>2,453,096</u>
Depreciation/impairment					
At 1 March 2020	1,648,372	45,735	80,695	261,183	2,035,985
Charge for the year	49,585	15,584	–	2,914	68,083
Disposals	(33,331)	–	(80,695)	–	(114,026)
At 28 February 2021	<u>1,664,626</u>	<u>61,319</u>	<u>–</u>	<u>264,097</u>	<u>1,990,042</u>
Carrying amount					
At 28 February 2021	<u>400,190</u>	<u>54,817</u>	<u>–</u>	<u>8,047</u>	<u>463,054</u>
At 29 February 2020	<u>465,344</u>	<u>70,401</u>	<u>14,399</u>	<u>10,961</u>	<u>561,105</u>

Tangible assets held at valuation

All items of plant and machinery were considered for revaluation as at 29 February 2020, based on the assets' estimated market values. The resulting increase in their carrying amount of £101,363 was recognised in a revaluation reserve. £3,965 has been transferred from the revaluation reserve to the profit and loss account on the disposal of revalued assets. There is no effect on the depreciation charge recorded in the reporting period. The carrying amount of plant and machinery that would be recognised as at 28 February 2021 had the assets been carried under the historic cost basis is £302,792.

Select Timber Products Limited

Notes to the Financial Statements *(continued)*

Year ended 28 February 2021

6. Debtors

	2021 £	2020 £
Trade debtors	19,300	13,076
Amounts owed by group undertakings and undertakings in which the company has a participating interest	290,842	244,248
Other debtors	3,768	26,422
	<u>313,910</u>	<u>283,746</u>

7. Creditors: amounts falling due within one year

	2021 £	2020 £
Corporation tax	—	8,171
Social security and other taxes	2,964	3,195
Other creditors	125,490	126,987
	<u>128,454</u>	<u>138,353</u>

8. Creditors: amounts falling due after more than one year

	2021 £	2020 £
Other creditors	<u>32,668</u>	<u>69,951</u>

9. Going concern

The trade of the company has been undertaken by the parent company since 1 March 2019 following a rationalisation of group activities. The directors are not currently anticipating significant trade in the company in the immediate future, but neither have they plans to commence procedures to strike off the company from the Companies Register.

Given these events, the directors have prepared the financial statements on a liquidation basis. However, since the assets of the company continue to be utilised in the trade of the group, the directors do not consider there to be any adjustments arising.

10. Controlling party

The company is a wholly-owned subsidiary of Springfarm Architectural Mouldings Limited, and its results are included in the parent company's consolidated financial statements. The registered office address of the parent company is Newpark Industrial Estate, Greystone Road, Antrim, BT41 2RU, Northern Ireland.