

BIG M TIMBER PRODUCTS LIMITED
SC278311

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

PAGES FOR FILING WITH REGISTRAR

MESTON REID & CO
CHARTERED ACCOUNTANTS
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BIG M TIMBER PRODUCTS LIMITED

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BIG M TIMBER PRODUCTS LIMITED

BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Intangible assets	3		133,000		159,600
Tangible assets	4		57,358		61,993
			<u>190,358</u>		<u>221,593</u>
Current assets					
Stocks		15,000		12,500	
Debtors	5	236,285		207,483	
Cash at bank and in hand		2,632		1,921	
		<u>253,917</u>		<u>221,904</u>	
Creditors: amounts falling due within one year	6	(418,555)		(425,187)	
Net current liabilities			<u>(164,638)</u>		<u>(203,283)</u>
Total assets less current liabilities			25,720		18,310
Provisions for liabilities			<u>(10,898)</u>		<u>(8,303)</u>
Net assets			<u>14,822</u>		<u>10,007</u>
Capital and reserves					
Called up share capital	8		1		1
Profit and loss reserves			14,821		10,006
Total equity			<u>14,822</u>		<u>10,007</u>

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

For the financial year ended 31 March 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges her 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.

BIG M TIMBER PRODUCTS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2019

The financial statements were approved and signed by the director and authorised for issue on 5 December 2019

Mrs K A Cameron

Director

Company Registration No. SC278311

BIG M TIMBER PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Company information

Big M Timber Products Limited is a private company limited by shares in the United Kingdom and incorporated in Scotland. The registered office is Units 1 & 2, Wood Group International Centre, Craigshaw Drive, Aberdeen, AB12 3AG.

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 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents amounts receivable from the manufacture of timber products net of VAT and trade discounts. Revenue is recognised as earned when the company obtains the right to consideration in exchange for goods and services provided to the customer.

1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses 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 10 years.

1.5 Tangible fixed assets

Tangible fixed assets are measured at cost initially 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:

Plant and equipment	20% reducing balance
Computers	33% straight line
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.

BIG M TIMBER PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.6 Impairment of fixed assets

At each reporting 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.

1.7 Stocks

Stocks is valued at the lower of cost and net realisable value.

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 the profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.8 Cash at bank and in hand

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

1.9 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.

BIG M TIMBER PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

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.

1.10 Equity instruments

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

1.11 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 is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

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.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

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.

BIG M TIMBER PRODUCTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2019****2 Employees**

The average monthly number of persons (including the director) employed by the company during the year was 7 (2018 - 5).

3 Intangible fixed assets

	Goodwill
	£
Cost	
At 1 April 2018 and 31 March 2019	266,000
Amortisation and impairment	
At 1 April 2018	106,400
Amortisation charged for the year	26,600
At 31 March 2019	133,000
Carrying amount	
At 31 March 2019	133,000
At 31 March 2018	159,600

4 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 April 2018	102,561
Additions	11,336
At 31 March 2019	113,897
Depreciation and impairment	
At 1 April 2018	40,568
Depreciation charged in the year	15,971
At 31 March 2019	56,539
Carrying amount	
At 31 March 2019	57,358
At 31 March 2018	61,993

BIG M TIMBER PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

5	Debtors	2019	2018
		£	£
	Amounts falling due within one year:		
	Trade debtors	180,358	184,419
	Other debtors	55,927	23,064
		<u>236,285</u>	<u>207,483</u>
6	Creditors: amounts falling due within one year	2019	2018
		£	£
	Bank overdraft	19,928	31,214
	Trade creditors	113,280	101,542
	Corporation tax	11,843	6,984
	Other taxation and social security	19,430	14,762
	Other creditors	254,074	270,685
		<u>418,555</u>	<u>425,187</u>
	The bank overdraft is secured by a bond and floating charge over the company's assets, coupled with a personal guarantee for £60,000 from the director.		
7	Provisions for liabilities	2019	2018
		£	£
	Deferred tax liabilities	10,898	8,303
8	Called up share capital	2019	2018
		£	£
	Ordinary share capital		
	Issued and fully paid		
	1 Ordinary share of £1 each	1	1
9	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:		
		2019	2018
		£	£
		33,000	165,000

BIG M TIMBER PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

10 Related party transactions

Included within other creditors is the amount of £246,280 (2018 - £257,280) due to the director at the year end. This loan is unsecured, interest free and repayable on demand.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.