

Registration number: SC357486

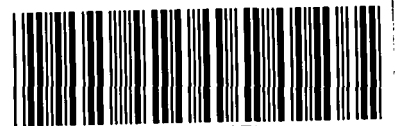
Intelligent Wood Systems Limited

Annual Report and Financial Statements

for the Year Ended 31 March 2014

Morris & Young, Statutory Auditor
Chartered Accountants
6 Atholl Crescent
PERTH
PH1 5JN

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Intelligent Wood Systems Limited

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Intelligent Wood Systems Limited

Company Information

Director	F W Steele
Registered office	6 Atholl Crescent PERTH PH1 5JN
Auditors	Morris & Young, Statutory Auditor Chartered Accountants 6 Atholl Crescent PERTH PH1 5JN

Intelligent Wood Systems Limited
Director's Report for the Year Ended 31 March 2014

The director presents his report and the financial statements for the year ended 31 March 2014.

Directors of the company

The directors who held office during the year were as follows:

D Cullen (resigned 3 July 2013)

F W Steele

Disclosure of information to the auditor

The director has taken steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information. The director confirms that there is no relevant information that he knows of and which he knows the auditor is unaware of.

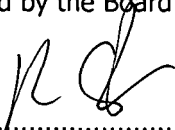
Reappointment of auditors

The auditors Morris & Young, Statutory Auditor are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 18 December 2014 and signed on its behalf by:



.....
F W Steele
Director

Intelligent Wood Systems Limited

Statement of Director's Responsibilities

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and 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 director is 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 enable him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

Independent Auditor's Report to the Members of Intelligent Wood Systems Limited

We have audited the financial statements of Intelligent Wood Systems Limited for the year ended 31 March 2014, set out on pages 6 to 12. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Director's Responsibilities (set out on page 3), the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Director's Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 March 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter

In forming our opinion, we have considered the continuing support from Glenalmond Timber Company Limited. The financial statements have been prepared on a going concern basis, the validity of which depends on the continuing support from Glenalmond Timber Company Limited. The financial statements do not include any adjustments that would result from a failure to obtain continuing support. Details of the circumstances relating to the fundamental uncertainty are described in note 1. Our opinion is not qualified in this respect.

Independent Auditor's Report to the Members of Intelligent Wood Systems Limited

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Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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 and the Director's Report in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report.

.....
Peter Young, B.A., C.A. (Senior Statutory Auditor)
For and on behalf of Morris & Young, Statutory Auditor

Chartered Accountants
6 Atholl Crescent
PERTH
PH1 5JN

24 December 2014

Intelligent Wood Systems Limited
Profit and Loss Account for the Year Ended 31 March 2014

	Note	2014 £	2013 £
Turnover		365,717	446,847
Cost of sales		<u>(145,038)</u>	<u>(279,658)</u>
Gross profit		220,679	167,189
Distribution costs		(10,381)	(1,784)
Administrative expenses		(288,241)	(641,911)
Other operating income		<u>11,778</u>	<u>15,413</u>
Operating loss	2	(66,165)	(461,093)
Other exceptional items	3	660,209	-
Other interest receivable and similar income		<u>136</u>	<u>4</u>
Profit/(loss) on ordinary activities before taxation		594,180	(461,089)
Tax on profit/(loss) on ordinary activities	4	<u>28,590</u>	<u>68,562</u>
Profit/(loss) for the financial year	9	<u><u>622,770</u></u>	<u><u>(392,527)</u></u>

Intelligent Wood Systems Limited
(Registration number: SC357486)
Balance Sheet at 31 March 2014

	Note	2014 £	2013 £
Fixed assets			
Tangible fixed assets	5	<u>56,800</u>	<u>123,518</u>
Current assets			
Stocks		102,101	59,680
Debtors	6	50,691	285,872
Cash at bank and in hand		<u>24,567</u>	<u>79,490</u>
		177,359	425,042
Creditors: Amounts falling due within one year	7	<u>(234,159)</u>	<u>(1,171,330)</u>
Net current liabilities		<u>(56,800)</u>	<u>(746,288)</u>
Net liabilities		<u>-</u>	<u>(622,770)</u>
Capital and reserves			
Called up share capital	8	660,000	660,000
Profit and loss account	9	<u>(660,000)</u>	<u>(1,282,770)</u>
Shareholders' deficit		<u>-</u>	<u>(622,770)</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective 2008).

Approved and authorised for issue by the director on 18 December 2014



.....
F W Steele
Director

Intelligent Wood Systems Limited

Notes to the Financial Statements for the Year Ended 31 March 2014

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

Going concern

Cashflows prepared for the company show that the company will trade profitably. A letter of support has also been obtained from the parent company Glenalmond Timber Company Limited. On this basis, the directors consider it appropriate to prepare the accounts on a going concern basis.

Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Leasehold improvements	10% Straight line
Plant & machinery	20% Straight line
Motor vehicles	20% Straight line
Fixtures & fittings	15% Straight line

Research and development

Research and development expenditure is written off as incurred.

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Hire purchase and leasing

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Intelligent Wood Systems Limited

Notes to the Financial Statements for the Year Ended 31 March 2014

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Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

Pensions

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

2 Operating loss

Operating loss is stated after charging:

	2014 £	2013 £
Auditor's remuneration - The audit of the company's annual accounts	2,500	2,500
Loss on sale of tangible fixed assets	9,608	76,753
Depreciation of tangible fixed assets	42,110	50,494

3 Exceptional items

	2014 £	2013 £
Other exceptional	(660,209)	-
The exceptional item is the provision against the inter-company loan with Glenalmond Timber Company Limited.		

4 Taxation

Tax on profit/(loss) on ordinary activities

	2014 £	2013 £
Current tax		
Adjustments in respect of previous years	(28,590)	(68,562)

Intelligent Wood Systems Limited

Notes to the Financial Statements for the Year Ended 31 March 2014

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Factors that may affect future tax charges

The company has estimated losses of £331,872 (2013 - £332,733) available for carry forward against future trading profits.

5 Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation				
At 1 April 2013	185,854	19,229	52,196	257,279
Disposals	-	(19,229)	(27,500)	(46,729)
At 31 March 2014	185,854	-	24,696	210,550
Depreciation				
At 1 April 2013	93,188	8,371	32,202	133,761
Charge for the year	37,171	-	4,939	42,110
Eliminated on disposals	-	(8,371)	(13,750)	(22,121)
At 31 March 2014	130,359	-	23,391	153,750
Net book value				
At 31 March 2014	55,495	-	1,305	56,800
At 31 March 2013	92,666	10,858	19,994	123,518

6 Debtors

	2014 £	2013 £
Trade debtors	8,460	178,803
Other debtors	42,231	107,069
	50,691	285,872

Intelligent Wood Systems Limited

Notes to the Financial Statements for the Year Ended 31 March 2014

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7 Creditors: Amounts falling due within one year

	2014 £	2013 £
Trade creditors	5,484	154,217
Amounts owed to group undertakings and undertakings in which the company has a participating interest	218,648	-
Other taxes and social security	2,527	7,748
Other creditors	7,500	1,009,365
	<u>234,159</u>	<u>1,171,330</u>

8 Share capital

Allotted, called up and fully paid shares

	2014		2013	
	No.	£	No.	£
Ordinary shares of £1 each	<u>660,000</u>	<u>660,000</u>	<u>660,000</u>	<u>660,000</u>

9 Reserves

	Profit and loss account £	Total £
At 1 April 2013	(1,282,770)	(1,282,770)
Profit for the year	<u>622,770</u>	<u>622,770</u>
At 31 March 2014	<u>(660,000)</u>	<u>(660,000)</u>

Intelligent Wood Systems Limited

Notes to the Financial Statements for the Year Ended 31 March 2014

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10 Pension schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £100 (2013 - £500)

Contributions totalling £nil (2013 - £nil) were payable to the schemes at the end of the year and are included in creditors.

11 Related party transactions

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the group.

12 Control

The company is controlled by Glenalmond Timber Company Limited the parent company.

During the year Glenalmond Timber Company Limited purchased the remaining 50% of the company that was previously owned by DWC (Scotland) Limited. Intelligent Wood Systems Limited is now a wholly owned subsidiary of Glenalmond Timber Company Limited.

Consolidated accounts are prepared and copies can be obtained from Registrar of Companies, 139 Fountainbridge, Edinburgh.