

WoodBlocX Limited
Filleted Unaudited Financial Statements
For the year ended
31 December 2020



WoodBlocX Limited

Statement of Financial Position

31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	5	1	1,921
Tangible assets	6	818,310	122,136
		<u>818,311</u>	<u>124,057</u>
Current assets			
Stocks		191,877	324,103
Debtors	7	121,697	171,693
Cash at bank and in hand		650,475	335,087
		<u>964,049</u>	<u>830,883</u>
Creditors: amounts falling due within one year	8	594,492	622,705
Net current assets		<u>369,557</u>	<u>208,178</u>
Total assets less current liabilities		<u>1,187,868</u>	<u>332,235</u>
Provisions		9,899	10,065
Net assets		<u>1,177,969</u>	<u>322,170</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		1,177,869	322,070
Shareholders' funds		<u>1,177,969</u>	<u>322,170</u>

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 statement of income and retained earnings has not been delivered.

For the year ending 31 December 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small 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. These financial statements were approved by the board of directors and authorised for issue on19.12.21...., and are signed on behalf of the board by:



H D Blake
Director

Company registration number: SC428120

The notes on pages 2 to 6 form part of these financial statements.

WoodBlocX Limited

Notes to the Financial Statements

Year ended 31 December 2020

1. General information

The company is a private company limited by shares, registered in Scotland. The address of the registered office is Old Evanton Road, Dingwall, Ross-Shire, IV15 9UN.

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 the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

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

Going Concern

The Covid-19 pandemic did not have an adverse affect on the company, with operations being able to continue throughout the year. Accordingly, the financial statements have been prepared on a going concern basis. The director has assessed the Company's ability to continue as a going concern and has reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus he continues to adopt the going concern basis of accounting the financial statements.

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.

Taxation

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.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

WoodBlocX Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are only recognised separately from goodwill when they arise from contractual or other legal rights, are separable, the expected future economic benefits are probable and the cost or value can be measured reliably.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Patents - 8 1/4 years straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

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.

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:

Tenant's improvements - 10 years straight line
Plant and equipment - 20% reducing balance
Buildings - 25 years straight line

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.

WoodBlocX Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

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 largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

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 and the performance model.

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.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

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.

WoodBlocX Limited

Notes to the Financial Statements (continued)

Year ended 31 December 2020

3. Accounting policies (continued)

Financial instruments

A financial asset or financial liability is recognised only when the company becomes a party to the contractual provisions of the financial instrument. Basic financial assets, which include trade and other receivables and cash and bank balances, 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 receipts discounted at the market rate of interest for a similar debt instrument.

Basic financial liabilities, which include trade creditors and other payables, 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 receipts discounted at the market rate of interest for a similar debt instrument.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 15 (2019: 14).

5. Intangible assets

	Goodwill £	Patents £	Total £
Cost			
At 1 January 2020 and 31 December 2020	1	15,840	15,841
Amortisation			
At 1 January 2020	–	13,920	13,920
Charge for the year	–	1,920	1,920
At 31 December 2020	–	15,840	15,840
Carrying amount			
At 31 December 2020	1	–	1
At 31 December 2019	1	1,920	1,921

6. Tangible assets

	Tenant's improvements £	Plant and equipment £	Buildings £	Total £
Cost				
At 1 January 2020	42,000	190,500	–	232,500
Additions	–	–	729,691	729,691
At 31 December 2020	42,000	190,500	729,691	962,191
Depreciation				
At 1 January 2020	30,450	79,914	–	110,364
Charge for the year	4,200	22,021	7,296	33,517
At 31 December 2020	34,650	101,935	7,296	143,881
Carrying amount				
At 31 December 2020	7,350	88,565	722,395	818,310
At 31 December 2019	11,550	110,586	–	122,136

WoodBlocX Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

7. Debtors

	2020	2019
	£	£
Trade debtors	87,467	65,670
Other debtors	34,230	106,023
	<u>121,697</u>	<u>171,693</u>

8. Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	205,048	272,659
Corporation tax	187,494	42,142
Social security and other taxes	13,236	15,101
Other creditors	188,714	292,803
	<u>594,492</u>	<u>622,705</u>

9. Related party transactions

Included in other creditors at note 8 is a loan from Munro Sawmills Ltd of £154,289 (2019 - £154,289). This loan is interest free with no fixed terms for repayment. P G Blake, E Blake, C L Blake and H D Blake, the shareholders of the company, are directors of Munro Sawmills Ltd.