

ARCTIC TIMBER LIMITED

Report and Accounts

30 April 1999

Registration number 2850708



ARCTIC TIMBER LIMITED
Directors and Officers

DIRECTORS

H A Vestlund
E J Vestlund
E G Vestlund
K A M Vestlund

SECRETARY

S T Corley

REGISTERED OFFICE

Peppercorns Business Centre
Peppercorns Lane
Eaton Socon
St Neots
Cambridgeshire

AUDITOR

G R Howell

ARCTIC TIMBER LIMITED

Directors' Report

The directors present their report and accounts for the year ended 30 April 1999.

Principal activities

The company's principal activity during the year continued to be timber importers.

Directors and directors' interests

The directors at the balance sheet date and their interests in the share capital of the company were as follows:

	£1 Ordinary shares	
	1999	1998
H A Vestlund	25	25
E J Vestlund	25	25
E G Vestlund	25	25
K A M Vestlund	25	25

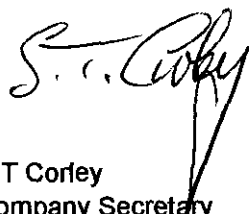
Auditors

A resolution to reappoint G R Howell as auditor will be put to the members at the Annual General Meeting.

Small company special provisions

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on 17 January 2000.



S T Corley
Company Secretary

ARCTIC TIMBER LIMITED

Statement of Directors' Responsibilities

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- *prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.*

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are 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.

ARCTIC TIMBER LIMITED
Auditors' Report

**Report of the auditors
to the shareholders of ARCTIC TIMBER LIMITED**

I have audited the accounts on pages 5 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 3, the company's directors are responsible for the preparation of the accounts. It is my responsibility to form an independent opinion, based on my audit, on those accounts and to report my opinion to you.

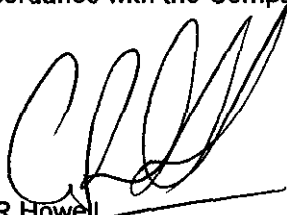
Basis of opinion

I conducted my audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error, in forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In my opinion the accounts give a true and fair view of the state of the company's affairs as at 30th April 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.



G R Howell
Chartered Certified Accountant
Registered Auditor

17 January 2000

ARCTIC TIMBER LIMITED
Profit and Loss Account
for the year ended 30 April 1999

	Notes	1999 £	1998 £
Turnover	2	171,378	128,283
Cost of sales		(156,449)	(86,549)
Gross profit		<u>14,929</u>	<u>41,734</u>
Distribution costs		(12,717)	(20,097)
Administrative expenses		(3,327)	(3,169)
Operating (loss)/profit	3	<u>(1,115)</u>	<u>18,468</u>
Interest receivable		1,300	1,033
Profit on ordinary activities before taxation		<u>185</u>	<u>19,501</u>
Taxation on profit on ordinary activities		(194)	(4,092)
(Loss)/profit on ordinary activities after taxation		<u>(9)</u>	<u>15,409</u>
Retained (loss)/profit for the year	8	<u>(9)</u>	<u>15,409</u>

Continuing operations

None of the company's activities were acquired or discontinued during the above two financial years.

Statement of total recognised gains and losses

The company has no recognised gains or losses other than the profit for the above two financial years.

ARCTIC TIMBER LIMITED
Balance Sheet
as at 30 April 1999

	Notes	1999 £	1998 £
Fixed assets			
Tangible assets	4	-	23
Current assets			
Stocks		98,728	70,121
Debtors	5	37,600	31,030
Cash at bank and in hand		89,943	25,468
		<u>226,271</u>	<u>126,619</u>
Creditors: amounts falling due within one year	6	(182,973)	(83,335)
Net current assets		<u>43,298</u>	<u>43,284</u>
Total assets less current liabilities		<u>43,298</u>	<u>43,307</u>
		<u>43,298</u>	<u>43,307</u>
Capital and reserves			
Called up share capital	7	100	100
Profit and loss account	8	43,198	43,207
Shareholders' funds:			
Equity		<u>43,298</u>	<u>43,307</u>
	9	<u>43,298</u>	<u>43,307</u>

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.



H A Vestlund
Director

Approved by the board on 17 January 2000

ARCTIC TIMBER LIMITED
Notes to the Accounts
at 30 April 1999

1 Accounting policies

Accounting convention

The accounts have been prepared under the historical cost convention.

Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Plant and machinery	over 4 years
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Stocks

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

Deferred taxation

Deferred taxation is provided on the liability method on all timing differences which are expected in the foreseeable future, calculated at the rate at which it is estimated that the tax will be payable.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

2 Turnover

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties.

3 Operating profit

1999	1998
£	£

This is stated after charging:

Depreciation of owned fixed assets	23	25
Auditors' remuneration	625	600

ARCTIC TIMBER LIMITED
Notes to the Accounts
at 30 April 1999

4 Tangible fixed assets

	Plant and machinery £
Cost	
At 1 May 1998	98
At 30 April 1999	<u>98</u>
Depreciation	
At 1 May 1998	75
Charge for the year	<u>23</u>
At 30 April 1999	<u>98</u>
Net book value	
At 30 April 1999	<u>-</u>
At 30 April 1998	<u>23</u>

5 Debtors

	1999 £	1998 £
Trade debtors	<u>37,600</u>	<u>31,030</u>

6 Creditors: amounts falling due within one year

	1999 £	1998 £
Trade creditors	165,268	67,494
Other creditors	<u>17,705</u>	<u>15,841</u>
	<u>182,973</u>	<u>83,335</u>

7 Share capital

	1999 £	1998 £
Authorised:		
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

	1999 No	1998 No	1999 £	1998 £
Allotted, called up and fully paid:				
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

Anders Vestlund

ARCTIC TIMBER LIMITED
Notes to the Accounts
at 30 April 1999

8 Profit and loss account

	1999	1998
	£	£
At 1 May	43,207	27,798
Retained (loss)/profit	(9)	15,409
At 30 April	<u>43,198</u>	<u>43,207</u>

9 Reconciliation of movements in shareholders' funds

	1999	1998
	£	£
At 1 May	43,307	27,898
(Loss)/profit for the financial year	(9)	15,409
At 30 April	<u>43,298</u>	<u>43,307</u>

10 Related parties

During the year the company entered into transactions with Balungstrands Sagverk AB, a company with which the directors are investors, and with Kingfisher Timber Products. S T Corley is a partner in Kingfisher Timber Products.

All transactions were on a commercial basis and consisted of the following:-

Balungstrands Sagverk AB

Purchase of timber £93,303

Kingfisher Timber Products

Commission on timber sales £10,280