COMPANY REGISTRATION NUMBER: SC126972

# Danforest Limited

## Filleted Unaudited Financial Statements

## 31 December 2016




**RITSONS**
Chartered Accountants
Forbes House
36 Huntly Street
Inverness
IV3 5PR

# Danforest Limited

## Statement of Financial Position *(continued)*

## 31 December 2016

| | Note | 2016 £ | £ | 2015 £ |
|---|---|---|---|---|
| **Fixed assets** | | | | |
| Tangible assets | 4 | | – | 467,312 |
| **Current assets** | | | | |
| Debtors | 5 | 50 | | 476 |
| Cash at bank and in hand | | 1,178,836 | | 5,418 |
| | | 1,178,886 | | 5,894 |
| **Creditors: amounts falling due within one year** | 6 | 24,316 | | 11,365 |
| **Net current assets/(liabilities)** | | | 1,154,570 | (5,471) |
| **Total assets less current liabilities** | | | 1,154,570 | 461,841 |
| **Net assets** | | | 1,154,570 | 461,841 |
| **Capital and reserves** | | | | |
| Called up share capital | | | 464,719 | 464,719 |
| Profit and loss account | | | 689,851 | (2,878) |
| **Members funds** | | | 1,154,570 | 461,841 |

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 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 2016 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 on 23/5/2017, and are signed on behalf of the board by:

Mr H H Jorgenson
Director

Company registration number: SC126972

## 1. General information

The company is a private company limited by shares, registered in Scotland. The address of the registered office is 31 Kinnoull Street, Perth, PH1 5EN, Scotland.

## 2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, '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, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

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

### Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 January 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 9.

### Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### 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.

## 3. Accounting policies *(continued)*

### Tangible assets

All fixed assets are initially recorded at cost.

Expenditure on planting and maintenance of the woodlands is capitalised in the period in which it is incurred. Freehold land and capitalised planting costs are not depreciated.

### 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 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.

### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either 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.

## 4. Tangible assets

| | Land and buildings £ | Fixtures and fittings £ | **Total £** |
|---|---|---|---|
| **Cost** | | | |
| At 1 January 2016 | 234,901 | 232,411 | **467,312** |
| Disposals | (234,901) | (232,411) | **(467,312)** |
| **At 31 December 2016** | – | – | – |
| **Depreciation** | | | |
| **At 1 Jan 2016 and 31 Dec 2016** | – | – | – |
| **Carrying amount** | | | |
| **At 31 December 2016** | – | – | – |
| At 31 December 2015 | 234,901 | 232,411 | 467,312 |

## 5. Debtors

| | 2016 | 2015 |
|---|---|---|
| | £ | £ |
| Other debtors | **50** | 476 |

## 6. Creditors: amounts falling due within one year

| | 2016 | 2015 |
|---|---|---|
| | £ | £ |
| Trade creditors | **–** | 260 |
| Corporation tax | **6,622** | – |
| Other creditors | **17,694** | 11,105 |
| | **24,316** | 11,365 |

## 7. Directors' advances, credits and guarantees

At 31 December 2016 the company was due H H Jorgensen, a director £nil (2015 - £324). This loan is interest free and has no definite terms of repayment or conditions attached.

## 8. Related party transactions

The company was under the control of Eurosteel ApS throughout the current and previous year. Eurosteel ApS hold 41.47% of the total shareholding.

## 9. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 January 2015.

No transitional adjustments were required in equity or profit or loss for the year.