

Annual Report
Dynamic Woods - Scottish Woods Ltd
(Company No SC213622)
October 2000 – March 2002

Dynamic Woods – Scottish Wood Ltd , Inzievar Woods, Oakley, fife, KY12 8HB
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Directors

Stuart Dewar (chair)
North Lodge
Inzievar
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KY12 8HB

Donald McPhillimy
Black Anchor
Crombie Point
Fife KY12 8LQ

Donald Murdoch
49 forest Place
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Dunfermline
KY12 0EP

Gifford Lind
30 Pitcorthie Rd
Dunfermline
KY11 8DR

Company Secretary

Maggie Birley
Inzievar Woods
Oakley
Fife
KY12 8 HB

Honorary Auditor

Brian McLaren
S.E.P. Scottish Business in the Community
7 Foundry Street
Dunfermline
Fife
KY12 9DD

Director's Report

The Scottish Wood centre was set up in order to process local timber that has previously been considered worthless and has consequently been wasted, underused and even dumped in landfill. The centre was set up following 18 months of research by the Wildlife and Woodlands partnership.

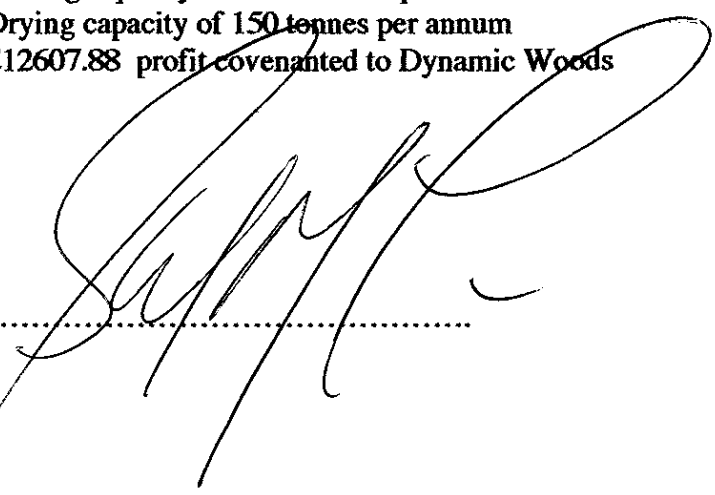
This year has been a very busy year, funding from Fife Environment Trust and Rural Challenge enabled the centre to be set up, however due to delays in funding it meant that virtually a years work had to be compressed into 3 months. This has meant that we have kept on trainees in order to help carry out some of the infrastructure work. The major work in setting up the centre has now been completed, however we plan to continue carrying out infrastructure improvement over the next year.

The output of the centre in its first year has far exceeded expectations. Timber has been sold to craftsmen all across Scotland and some has been ear marked for the Scottish parliament building. Demand still exceeds supply in some areas and over the next year we hope to improve links with other Scottish Wood suppliers rather than increase capacity at Inzievar

The main outputs from the centre over the past year

- i) 4 permanent posts
- ii) 5 trainee placements
- iii) 9 organisations sought advice on setting up
6 have since started new business ventures
- iv) £75,000 turnover in year one - bringing new money into the area
- v) Sawing capacity of 600+ tonnes per annum
- vi) Drying capacity of 150 tonnes per annum
- vii) £12607.88 profit covenanted to Dynamic Woods

Signed



Accounts

Scottish Wood is funded through the sales of timber, all profits are covenanted to Dynamic Woods to further its work with woodlands in the local area.

The following pages include a breakdown of the

- Income and expenditure
- Balance sheet.

Although the company was set up in October 2000 it did not start trading until June 2001 and therefore accounts are made up for this time period.

Notes

Assets

The equipment and machinery used by Scottish wood is owned by Dynamic Woods and leased to Scottish Wood, this ensures compliance with LFTC and other grant funders.

Long-term loans and capital grants

Robert Williamson £2,500

For purchase of stock repayable in 2003

Robert Williamson £4,500

This was made in the form of a capital input grant only becoming repayable should there be sufficient funds available

Jim Birley £27167.11

This represents the value of the stock handed over at the start of Scottish Wood and was made with the understanding that stock to this value would, if possible, be returned should the venture close. Any timber that the Birleys take for their own use has been credited against this loan

Trade Debtors

£25,979.53 – this figure is unusually high due the costs incurred in setting up Scottish Wood – the majority of this (£19,000) is owed by dynamic Woods and will be paid early in the next financial year.

Internal Transfer

£12607.88 The internal transfer of is to Dynamic Woods and is the profit on the sale of timber during this period.

Profit & Loss Statement 2005 & 2006

Income			
Retail Sales			
Hardwood timber	£35,056.41		
Softwood timber	£14,097.07		
Services	£13,340.45		
firewood	£1,897.72		
Carriage Income		£1,678.26	
Miscellaneous Income		£80.86	
Total Income			£66,150.77
Cost of Sales			
Retail Cost of Sales			
Sawing	£1,405.73		
Finishing	£1,982.32		
electricity- for plant	£2,000.00		
Cost of timber & transport		£18,981.12	
Wages for Production Labour			
T1 - Garrv Welsh Wages	£3,397.01		
T2 - George McGuire Wages	£3,761.25		
T3 - Steven Miller Wages	£2,316.87		
Geoff Goodenough	£413.00		
Materials & Supplies		£1,096.45	
Carriage		£1,311.02	
Other Costs		£32.36	
Total Cost of Sales			£36,697.13
Gross Profit			£29,453.64
Expenses			
Advertising		£1,949.75	
membership & subscriptions		£280.00	
Motor Expenses		£274.40	
Bad Debts		£143.21	
Depreciation Expense		£225.00	
Discounts			
Discounts Given	£176.57		
Discounts Taken	-£321.39		
Carriage Paid		£45.01	
Insurance			
General Insurance	£1,815.48		
Interest			
Lease Expenses			
Machinery & Equipment	£3,000.00		
Legal & Professional Services		£50.45	
Pavroll			
Wages	£12,339.95		
Employers NIC	£1,166.30		
pension	£208.06		
Repairs & renewals (< £500)		£549.72	
new equipment under £500		£211.45	
Shrinkage/Spoilage		£3.00	
Office Supplies		£464.92	
Telephone & postage		£106.81	
Travel, Meals & Entertainment			
Travel	£5.11		
volunteer expenses		£125.25	
training		£243.50	
Total Expenses			£23,062.55
Operating Profit			£6,391.09
Other Income			
Interest Income		£6.36	
Revenue Grants			
Wage Subsidy and training			
George McGuire training/wages	£450.00		
Steven Miller training/wages	£425.70		
garrv welsh - training/wages	£53.50		
Scot Enterprise - Marketing	£5,281.23		
Total Other Income			£6,216.79
Other Expenses			
Grants to charities		£12,607.88	
Total Other Expenses			£12,607.88
Net Profit / (Loss)			£0.00

Assets			
Fixed Assets			
Plant & Equipment			
Buildings and Yard	£91.33		
Total Plant & Equipment		£91.33	
Vehicles			
Vehicles Org. Cost	£900.00		
Vehicles Accum Dep	<u>-£225.00</u>		
Total Vehicles		<u>£675.00</u>	
Total Fixed Assets			£766.33
Current Assets			
Cash on Hand			
Bank Account	£8,673.08		
Cash Drawer	£458.65		
Undeposited Funds	£6,412.19		
transfer funds-internal	<u>-£12,607.88</u>		
Total Cash on Hand		<u>£2,936.04</u>	
Trade Debtors		£25,979.53	
bad debt provision		<u>-£143.21</u>	
Stock			
Raw Materials	£11,100.92		
Green timber	£11.31		
Stock Air drying	£1,327.17		
Stock in kiln	£3,821.73		
Kiln dried stock	£5,847.69		
Finished Goods	£642.31		
firewood	£2,979.20		
supplies	<u>£6.80</u>		
Total Stock		<u>£25,737.13</u>	
Total Current Assets			<u>£54,509.49</u>
Total Assets			<u>£55,275.82</u>
Liabilities			
Current Liabilities			
Credit Cards			
Trade Creditors		£8,866.03	
electricity - new supply		£2,000.00	
customer deposits		£867.26	
VAT Due		£7,115.41	
PAYE/NIC Due		£1,843.30	
Stakeholder pension		<u>£416.71</u>	
Total Current Liabilities			£21,108.71
Long-Term Liabilities			
Private Loan - R Williamson		£2,500.00	
Initial Stock - Jim Birley		<u>£27,167.11</u>	
Total Long-Term Liabilities			<u>£29,667.11</u>
Total Liabilities			<u>£50,775.82</u>
Net Assets			<u>£4,500.00</u>
Capital			
Capital Grants			
Stock Grant - R Williamson		<u>£4,500.00</u>	
Total Capital			<u>£4,500.00</u>

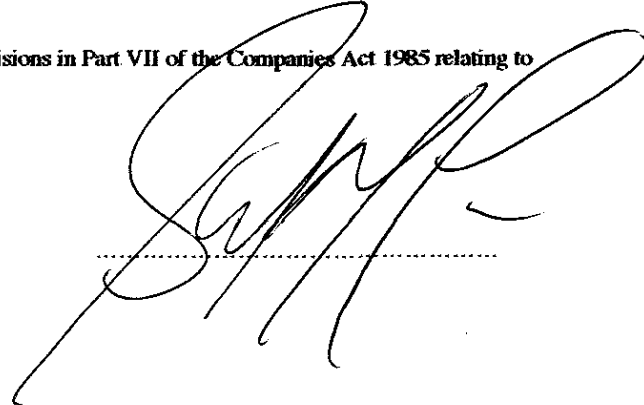
For the year ended March 2002 the company was entitled to exemption under section 249A(91) of the Companies Act 1985

Members have not required the company to obtain an audit in accordance with section 249B(92) of the Companies Act 1985

The directors acknowledge their responsibility for:

- i) Ensuring the company keeps accounting record which comply with section 221; and
- ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit or loss for the financial year, in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts so far as applicable to the company

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



