

Company Registration No. 01178084 (England and Wales)

**BCL TIMBER PROJECTS LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

# BCL TIMBER PROJECTS LIMITED

## COMPANY INFORMATION

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|                          |   |
|--------------------------|---|
| <b>Directors</b>         | B M Barrett<br>G W Drake<br>G J Barthram                                    |
| <b>Secretary</b>         | C Bowsher   |
| <b>Company number</b>    | 01178084  |
| <b>Registered office</b> | The Old Byre<br>Oakley Farm<br>Pound Lane<br>Hurst<br>Berkshire<br>RG10 0RS |
| <b>Auditor</b>           | Goodman Jones LLP<br>29-30 Fitzroy Square<br>London<br>W1T 6LQ              |
| <b>Business address</b>  | The Old Byre<br>Oakley Farm, Pound Lane<br>Hurst<br>Berkshire<br>RG10 0RS   |
| <b>Bankers</b>           | Natwest<br>Abbey Gardens<br>4 Abbey Street<br>Reading<br>Berks<br>RG1 3BA   |

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# **BCL TIMBER PROJECTS LIMITED**

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# **BCL TIMBER PROJECTS LIMITED**

## **DIRECTORS' REPORT**

***FOR THE YEAR ENDED 31 DECEMBER 2020***

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The directors present their annual report and financial statements for the year ended 31 December 2020.

### **Results and dividends**

An interim ordinary dividend was paid amounting to £64,000 (2019: £64,000). The directors do not recommend payment of a final dividend.

### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

B M Barrett  
G W Drake  
G J Barthram

### **Qualifying third party indemnity provisions**

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

### **Going concern**

In the annual review of the Company's going concern, the Directors have considered the immediate and longer term impact of the Covid-19 pandemic. Following the lockdown in the UK, the Company experienced a temporary slowdown in construction activities but are now pleased to report activities are steadily improving. During the period of slowdown, the Directors used available Covid-19 government schemes such as the Coronavirus Job Retention Scheme and government loans to manage cashflow during the period of uncertainty. The Directors are committed to carrying out regular reviews of the Company's cash flows to monitor the ongoing situation and take further steps as required.

The company meets its day to day working capital requirements through bank facilities which are renewed regularly. The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to operate within the level of its current arrangements.

### **Auditor**

The auditor, Goodman Jones LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

# **BCL TIMBER PROJECTS LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **Statement of directors' responsibilities**

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have 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 directors must not approve the financial statements unless they are 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 directors are required to:

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

The directors are 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 them to ensure that the financial statements comply with the Companies Act 2006. 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.

### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

### **Small companies exemption**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

B M Barrett  
**Director**

23 September 2021

# **BCL TIMBER PROJECTS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF BCL TIMBER PROJECTS LIMITED**

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#### **Opinion**

We have audited the financial statements of BCL Timber Projects Limited (the 'company') for the year ended 31 December 2020 which comprise the profit and loss account, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

# **BCL TIMBER PROJECTS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF BCL TIMBER PROJECTS LIMITED**

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### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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 in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

# **BCL TIMBER PROJECTS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF BCL TIMBER PROJECTS LIMITED**

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Irregularities, including fraud, are instances of non compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to industry sector regulations and unethical and prohibited business practices, and we considered the extent to which noncompliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and and UK Tax Legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Appropriate audit procedures in response to these risks were carried. These procedures included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reading minutes of meetings of those charged with governance;
- Obtaining and reading correspondence from legal and regulatory bodies including HMRC;
- Identifying and testing journal entries;
- Challenging assumptions and judgements made by management in their significant accounting estimates.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members; and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

#### **Other matters which we are required to address**

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Use of our report**

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.

**Matthew Cook (Senior Statutory Auditor)**  
**For and on behalf of Goodman Jones LLP**

23 September 2021

**Chartered Accountants**  
**Statutory Auditor**

29-30 Fitzroy Square  
London  
W1T 6LQ

# BCL TIMBER PROJECTS LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

|   | Notes | 2020<br>£              | 2019<br>£             |
|---|-------|------------------------|-----------------------|
| Turnover                                    |       | 1,873,372              | 3,496,071             |
| Cost of sales                               |       | (1,303,346)            | (2,522,112)           |
| <b>Gross profit</b>                         |       | <u>570,026</u>         | <u>973,959</u>        |
| Administrative expenses                     |       | (837,919)              | (909,611)             |
| Other operating income                      |       | 124,872                | -                     |
| <b>Operating (loss)/profit</b>              |       | <u>(143,021)</u>       | <u>64,348</u>         |
| Interest receivable and similar income      |       | 14,730                 | 9,375                 |
| Interest payable and similar expenses       |       | (107)                  | -                     |
| <b>(Loss)/profit before taxation</b>        |       | <u>(128,398)</u>       | <u>73,723</u>         |
| Tax on (loss)/profit                        | 5     | 61,066                 | 101,473               |
| <b>(Loss)/profit for the financial year</b> |       | <u><u>(67,332)</u></u> | <u><u>175,196</u></u> |

# BCL TIMBER PROJECTS LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2020

|  | Notes | 2020             |                         | 2019             |                         |
|--|-------|------------------|-------------------------|------------------|-------------------------|
|  |       | £                | £                       | £                | £                       |
| <b>Fixed assets</b>  |       |                  |                         |                  |                         |
| Tangible assets  | 6     |                  | 163,803                 |                  | 189,715                 |
| <b>Current assets</b>  |       |                  |                         |                  |                         |
| Stocks   |       | 55,369           |                         | 42,914           |                         |
| Debtors  | 7     | 1,600,985        |                         | 1,380,214        |                         |
| Cash at bank and in hand                                       |       | 29,548           |                         | 325,921          |                         |
|  |       | <u>1,685,902</u> |                         | <u>1,749,049</u> |                         |
| <b>Creditors: amounts falling due within one year</b>          | 8     | <u>(347,315)</u> |                         | <u>(350,318)</u> |                         |
| <b>Net current assets</b>                                      |       |                  | <u>1,338,587</u>        |                  | <u>1,398,731</u>        |
| <b>Total assets less current liabilities</b>                   |       |                  | <u>1,502,390</u>        |                  | <u>1,588,446</u>        |
| <b>Creditors: amounts falling due after more than one year</b> | 9     |                  | <u>(45,276)</u>         |                  | <u>-</u>                |
| <b>Net assets</b>  |       |                  | <u><u>1,457,114</u></u> |                  | <u><u>1,588,446</u></u> |
| <b>Capital and reserves</b>                                    |       |                  |                         |                  |                         |
| Called up share capital  |       |                  | 170,000                 |                  | 170,000                 |
| Profit and loss reserves                                       |       |                  | <u>1,287,114</u>        |                  | <u>1,418,446</u>        |
| <b>Total equity</b>  |       |                  | <u><u>1,457,114</u></u> |                  | <u><u>1,588,446</u></u> |

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 23 September 2021 and are signed on its behalf by:

B M Barrett  
Director

Company Registration No. 01178084

## BCL TIMBER PROJECTS LIMITED

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020

|  | Share capital | Profit and<br>loss reserves | Total     |
|--|---------------|-----------------------------|-----------|
| Notes  | £             | £                           | £         |
| <b>Balance at 1 January 2019</b>                   | 170,000       | 1,307,250                   | 1,477,250 |
| <b>Year ended 31 December 2019:</b>                |               |                             |           |
| Profit and total comprehensive income for the year | -             | 175,196                     | 175,196   |
| Dividends  | -             | (64,000)                    | (64,000)  |
| <b>Balance at 31 December 2019</b>                 | 170,000       | 1,418,446                   | 1,588,446 |
| <b>Year ended 31 December 2020:</b>                |               |                             |           |
| Loss and total comprehensive income for the year   | -             | (67,332)                    | (67,332)  |
| Dividends  | -             | (64,000)                    | (64,000)  |
| <b>Balance at 31 December 2020</b>                 | 170,000       | 1,287,114                   | 1,457,114 |

# BCL TIMBER PROJECTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

#### Company information

BCL Timber Projects Limited is a private company limited by shares incorporated in England and Wales. The registered office is The Old Byre, Oakley Farm, Pound Lane, Hurst, Berkshire, RG10 0RS.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

In the annual review of the Company's going concern, the Directors have considered the immediate and longer term impact of the Covid-19 pandemic. Following the lockdown in the UK, the Company experienced a temporary slowdown in construction activities but are now pleased to report activities are steadily improving. During the period of slowdown, the Directors used available Covid-19 government schemes such as the Coronavirus Job Retention Scheme and government loans to manage cashflow during the period of uncertainty. The Directors are committed to carrying out regular reviews of the Company's cash flows to monitor the ongoing situation and take further steps as required.

The company uses financial instruments comprising of borrowings and various net working capital items such as trade debtors and trade creditors, to finance its operations not funded by way of equity. The main risks identified with using these financial instruments are the management of cash flow and exposure to interest rate fluctuations.

The company meets its day to day working capital requirements through bank facilities which are renewed regularly. The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to operate within the level of its current arrangements.

The directors therefore consider that there is no material uncertainty in relation to the going concern position of the company and the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### 1.3 Turnover

Turnover represents the value of work done in the period, excluding value added tax.

Profit is recognised on long-term contracts, if the final outcome can be assessed with reasonable certainty, by including in the profit and loss account turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs to date bear to total expected costs for that contract.

#### 1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

# BCL TIMBER PROJECTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

|                                |                                   |
|--------------------------------|-----------------------------------|
| Land and buildings Leasehold   | Straight line over the lease term |
| Plant and machinery            | 25% Reducing balance              |
| Fixtures, fittings & equipment | 25% Reducing balance              |
| Motor vehicles                 | 25% Reducing balance              |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

# BCL TIMBER PROJECTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies (Continued)

#### 1.7 Construction contracts

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the reporting end date. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

When it is probable that total contract costs will exceed total contract turnover, the expected loss is recognised as an expense immediately.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred where it is probable that they will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred. When costs incurred in securing a contract are recognised as an expense in the period in which they are incurred, they are not included in contract costs if the contract is obtained in a subsequent period.

The "percentage of completion method" is used to determine the appropriate amount to recognise in a given period. The stage of completion is measured by the proportion of contract costs incurred for work performed to date compared to the estimated total contract costs. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. These costs are presented as stocks, prepayments or other assets depending on their nature, and provided it is probable they will be recovered.

#### 1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# BCL TIMBER PROJECTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **1.10 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### **1.11 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised.

#### **1.12 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.13 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

# BCL TIMBER PROJECTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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**1 Accounting policies** **(Continued)**

**1.14 Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

During the year, the company received £124,872 under the government backed Coronavirus Job Retention Scheme (CJRS), following the outbreak of Covid-19 during the year. This amount has been recognised as other operating income.

**1.15 Foreign exchange**

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

**2 Judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**Amounts recoverable on long term contracts**

The company applies its policy on contract accounting when recognising revenue and profit on partially completed contracts. The application of this policy requires judgements to be made in respect of the total expected costs to complete for each site. The company has in place established internal control processes to ensure that the evaluation of costs and revenues is based upon appropriate estimates.

**3 Auditor's remuneration**

|   | <b>2020</b>       | <b>2019</b>       |
|---|-------------------|-------------------|
| Fees payable to the company's auditor and associates: | £                 | £                 |
| <b>For audit services</b>                             |                   |                   |
| Audit of the financial statements of the company      | 11,600            | 11,600            |
|   | <u>          </u> | <u>          </u> |

# BCL TIMBER PROJECTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

|       | 2020<br>Number | 2019<br>Number |
|-------|----------------|----------------|
| Total | 22             | 29             |

### 5 Taxation

|  | 2020<br>£ | 2019<br>£ |
|--|-----------|-----------|
| <b>Current tax</b>                                   |           |           |
| UK corporation tax on profits for the current period | (61,066)  | (41,082)  |
| Adjustments in respect of prior periods              | -         | (60,391)  |
| Total current tax                                    | (61,066)  | (101,473) |

### 6 Tangible fixed assets

|                                    | Land and<br>buildings<br>£ | Plant and<br>machinery etc<br>£ | Total<br>£ |
|------------------------------------|----------------------------|---------------------------------|------------|
| <b>Cost</b>                        |                            |                                 |            |
| At 1 January 2020                  | 200,520                    | 215,676                         | 416,196    |
| Additions                          | 7,096                      | 29,905                          | 37,001     |
| Disposals                          | -                          | (39,560)                        | (39,560)   |
| At 31 December 2020                | 207,616                    | 206,021                         | 413,637    |
| <b>Depreciation and impairment</b> |                            |                                 |            |
| At 1 January 2020                  | 123,567                    | 102,914                         | 226,481    |
| Depreciation charged in the year   | 22,445                     | 27,771                          | 50,216     |
| Eliminated in respect of disposals | -                          | (26,863)                        | (26,863)   |
| At 31 December 2020                | 146,012                    | 103,822                         | 249,834    |
| <b>Carrying amount</b>             |                            |                                 |            |
| At 31 December 2020                | 61,604                     | 102,199                         | 163,803    |
| At 31 December 2019                | 76,953                     | 112,762                         | 189,715    |

# BCL TIMBER PROJECTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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| 7 Debtors                                | 2020             | 2019             |
|--|------------------|------------------|
| Amounts falling due within one year:     | £                | £                |
| Trade debtors                            | 164,621          | 293,697          |
| Gross amounts owed by contract customers | 523,786          | 273,286          |
| Corporation tax recoverable              | 260,997          | 181,661          |
| Other debtors                            | 616,121          | 575,109          |
| Prepayments and accrued income           | 35,460           | 56,461           |
|  | <u>1,600,985</u> | <u>1,380,214</u> |

Trade debtors include an amount of £19,629 (2019: £58,280) which is due after more than one year.

| 8 Creditors: amounts falling due within one year | 2020           | 2019           |
|--|----------------|----------------|
|  | £              | £              |
| Bank loans and overdrafts                        | 4,749          | -              |
| Trade creditors                                  | 262,381        | 122,936        |
| Amounts owed to group undertakings               | 9,043          | 9,043          |
| Corporation tax                                  | 18,271         | 71,634         |
| Other taxation and social security               | 24,708         | 120,260        |
| Other creditors                                  | 28,163         | 26,445         |
|  | <u>347,315</u> | <u>350,318</u> |

| 9 Creditors: amounts falling due after more than one year | 2020          | 2019     |
|---|---------------|----------|
|   | £             | £        |
| Bank loans and overdrafts                                 | 45,276        | -        |
|   | <u>45,276</u> | <u>-</u> |

### 10 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

|  | 2020           | 2019          |
|--|----------------|---------------|
|  | £              | £             |
|  | <u>185,399</u> | <u>31,688</u> |

## **BCL TIMBER PROJECTS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2020***

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#### **11 Related party transactions**

Included in other creditors at the balance sheet date is a balance of £9,043 (2019: £9,043) due to Barrett Ceilings Limited, a fellow subsidiary company.

As at 31 December 2020, a director owed the company £615,174 (2019: £558,957). This loan is unsecured and interest is being charged.

#### **12 Parent company**

The company is under the control of the director B Barrett.

The ultimate parent company is Bondstyle Limited, a company incorporated in England & Wales.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.