

Company registration number 01003796 (England and Wales)

**ANGLO-NORDEN FOREST PRODUCTS LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

# ANGLO-NORDEN FOREST PRODUCTS LIMITED

## COMPANY INFORMATION

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<b>Director</b>	A. Wedel
<b>Secretary</b>	A L O'Brien, LL.B., Barrister, FCCA
<b>Company number</b>	01003796
<b>Registered office</b>	Orwell Terminal Eagle Wharf Helena Road Ipswich IP3 0BT
<b>Auditor</b>	BG Audit LLP Statutory Auditors 7 Three Rivers Business Park Felixstowe Road, Foxhall IPSWICH IP10 0BF
<b>Business address</b>	Orwell Terminal, Eagle Wharf Helena Road Ipswich IP3 0BT

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# ANGLO-NORDEN FOREST PRODUCTS LIMITED

## CONTENTS

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	Page
Strategic report	1
Director's report	2
Director's responsibilities statement	3
Independent auditor's report	4 - 6
Group statement of comprehensive income	7
Group balance sheet	8
Company balance sheet	9
Group statement of changes in equity	10
Company statement of changes in equity	11
Group statement of cash flows	12
Company statement of cash flows	13
Notes to the financial statements	14 - 29

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# ANGLO-NORDEN FOREST PRODUCTS LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2022

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The director presents the strategic report for the year ended 31 December 2022.

#### **Fair review of the business**

The solid result achieved during the year ended 31st December 2022 leaves the group well placed financially and operationally at year end to serve our customers in the ensuing trading period.

#### **Principal risks and uncertainties**

The risks and uncertainties facing the group are those that are normally considered relevant to a business importing stock as principal and reselling on credit terms to customers in the UK.

#### **Development and performance**

The group's success is built on offering an outstanding service to its merchant customer base. During the financial year the group pursued its strategy of enhancing this offering and adding more capacity to meet growing demand.

#### **Key performance indicators**

The key performance indicators (KPIs) used by the board to review performance in the current trading climate are customer retention and sales frequency. For the year ended 31st December 2022 these are in line with group expectations and, in the case of customer retention, the generally accepted CRM benchmarks in the timber sector.

#### **Position of the business at the year end**

The group's financial and commercial position at year end is strong, possessing as it does an attractive portfolio of products and services together with the financial resources necessary to take advantage of the opportunities that its well-established position in the timber market continues to create.

On behalf of the board

A. Wedel

**Director**

22 September 2023

# ANGLO-NORDEN FOREST PRODUCTS LIMITED

## DIRECTOR'S REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2022

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The director presents his annual report and financial statements for the year ended 31 December 2022.

#### Principal activities

The principal activities of the Group are the importation and resale of two categories of timber products:

- i. i. Softwood construction timber and panel products for distribution to timber and builder's merchants throughout the UK; and
- ii. ii. Fencing and related products for distribution to broadly the same category of customers but also to fencing companies and businesses in the agricultural sector.

#### Director

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

A. Wedel

#### Results and dividends

The results for the year are set out on page 7.

Ordinary dividends were paid amounting to £1,000,000. The director does not recommend payment of a further dividend.

#### Post reporting date events

No significant events have occurred between 31 December 2022 and the date of authorisation of these financial statements.

#### 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 auditor of the company 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 auditor of the company is aware of that information.

On behalf of the board

A. Wedel

**Director**

22 September 2023

# **ANGLO-NORDEN FOREST PRODUCTS LIMITED**

## **DIRECTOR'S RESPONSIBILITIES STATEMENT**

### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the ;
- prepare the on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# ANGLO-NORDEN FOREST PRODUCTS LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF ANGLO-NORDEN FOREST PRODUCTS LIMITED

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#### Opinion

We have audited the financial statements of Anglo-Norden Forest Products Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows, the company statement of cash flows 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 Financial Reporting Standard 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 group's and the parent company's affairs as at 31 December 2022 and of the group's profit 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 group and parent 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 director's 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 group's and parent 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 director 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 director is 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 strategic report and the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's report have been prepared in accordance with applicable legal requirements.

# ANGLO-NORDEN FOREST PRODUCTS LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF ANGLO-NORDEN FOREST PRODUCTS 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 group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the director's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

#### Responsibilities of director

As explained more fully in the director's responsibilities statement, the director is 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 director determines 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 director is responsible for assessing the parent 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 director either intends to liquidate the parent company or to cease operations, or has 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.

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 operating licence requirements relating to its transport business, and considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that impact directly on the preparation of the financial statements including the Companies Act, and UK tax legislation.

We considered managements incentives and opportunities for fraudulent adjustments to the financial statements including override of controls and determined that the principal risks were related to inappropriate journal entries or fraudulent transactions that would result in the manipulation of profits.

Audit procedures included:

- Making enquiries of management for known or suspected instances of fraud or non-compliance with laws and regulations.
- Consideration of management's procedures for detecting and preventing fraud, including controls.
- Reviewing journal entries to identify material or unusual transactions

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.



# **ANGLO-NORDEN FOREST PRODUCTS LIMITED**

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

### **TO THE MEMBERS OF ANGLO-NORDEN FOREST PRODUCTS LIMITED**

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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.

**Jonathan Oakley F.C.A.**  
**For and on behalf of BG Audit LLP**  
**Statutory Auditor**

22 September 2023

7 Three Rivers Business Park  
Felixstowe Road, Foxhall  
IPSWICH  
IP10 0BF

# ANGLO-NORDEN FOREST PRODUCTS LIMITED

## GROUP STATEMENT OF TOTAL COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	2021 £
<b>Turnover</b>	<b>3</b>	50,501,051	68,816,626
Cost of sales		(46,965,285)	(57,309,339)
<b>Gross profit</b>		3,535,766	11,507,287
Administrative expenses		(2,750,447)	(2,868,348)
Other operating income		-	12,815
<b>Operating profit</b>	<b>4</b>	785,319	8,651,754
Interest receivable and similar income	<b>8</b>	8,657	5,532
Interest payable and similar expenses	<b>9</b>	(93,691)	(25,786)
<b>Profit before taxation</b>		700,285	8,631,500
Taxation	<b>10</b>	(165,954)	(1,639,436)
<b>Profit for the financial year</b>		534,331	6,992,064

Total comprehensive income for the year is all attributable to the owners of the parent company.

The Statement of Comprehensive Income has been prepared on the basis that all operations are continuing operations.

# ANGLO-NORDEN FOREST PRODUCTS LIMITED

## GROUP BALANCE SHEET

AS AT 31 DECEMBER 2022

		2022		2021	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12		1,172,925		1,036,582
<b>Current assets</b>					
Stocks	16	10,359,201		13,425,367	
Debtors	17	6,230,887		7,236,333	
Cash at bank and in hand		919,297		127,529	
		<u>17,509,385</u>		<u>20,789,229</u>	
<b>Creditors: amounts falling due within one year</b>	18	<u>(6,106,426)</u>		<u>(8,857,904)</u>	
<b>Net current assets</b>			<u>11,402,959</u>		<u>11,931,325</u>
<b>Total assets less current liabilities</b>			<u>12,575,884</u>		<u>12,967,907</u>
<b>Creditors: amounts falling due after more than one year</b>	19		-		(4,479)
<b>Provisions for liabilities</b>	22		(212,255)		(134,130)
<b>Net assets</b>			<u>12,363,629</u>		<u>12,829,298</u>
<b>Capital and reserves</b>					
Called up share capital	24		600,000		600,000
Profit and loss reserves			<u>11,763,629</u>		<u>12,229,298</u>
<b>Total equity</b>			<u>12,363,629</u>		<u>12,829,298</u>

The financial statements were approved and signed by the director and authorised for issue on 22 September 2023

A. Wedel  
Director

# ANGLO-NORDEN FOREST PRODUCTS LIMITED

## COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2022

		2022		2021	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12		1,082,642		970,065
Investments	13		1,000		1,000
			<u>1,083,642</u>		<u>971,065</u>
<b>Current assets</b>					
Stocks	16	6,762,076		9,709,253	
Debtors	17	5,857,534		7,511,630	
Cash at bank and in hand		898,260		100,852	
		<u>13,517,870</u>		<u>17,321,735</u>	
<b>Creditors: amounts falling due within one year</b>	18	<u>(4,153,514)</u>		<u>(7,206,087)</u>	
<b>Net current assets</b>			<u>9,364,356</u>		<u>10,115,648</u>
<b>Total assets less current liabilities</b>			<u>10,447,998</u>		<u>11,086,713</u>
<b>Creditors: amounts falling due after more than one year</b>	19		-		(4,479)
<b>Provisions for liabilities</b>	22		<u>(212,255)</u>		<u>(134,130)</u>
<b>Net assets</b>			<u>10,235,743</u>		<u>10,948,104</u>
<b>Capital and reserves</b>					
Called up share capital	24		600,000		600,000
Profit and loss reserves			<u>9,635,743</u>		<u>10,348,104</u>
<b>Total equity</b>			<u>10,235,743</u>		<u>10,948,104</u>

The financial statements were approved and signed by the director and authorised for issue on 22 September 2023

A. Wedel

Director

Company Registration No. 01003796

# ANGLO-NORDEN FOREST PRODUCTS LIMITED

## GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	Share capital	Profit and loss reserves	Total
Notes	£	£	£
<b>Balance at 1 January 2021</b>	600,000	5,237,234	5,837,234
<b>Year ended 31 December 2021:</b>			
Profit and total comprehensive income for the year	-	6,992,064	6,992,064
<b>Balance at 31 December 2021</b>	600,000	12,229,298	12,829,298
<b>Year ended 31 December 2022:</b>			
Profit and total comprehensive income for the year	-	534,331	534,331
Dividends	11	(1,000,000)	(1,000,000)
<b>Balance at 31 December 2022</b>	600,000	11,763,629	12,363,629

# ANGLO-NORDEN FOREST PRODUCTS LIMITED

## COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	Share capital	Profit and loss reserves	Total
Notes	£	£	£
<b>Balance at 1 January 2021</b>	600,000	4,283,917	4,883,917
<b>Year ended 31 December 2021:</b>			
Profit and total comprehensive income for the year	-	6,064,187	6,064,187
<b>Balance at 31 December 2021</b>	600,000	10,348,104	10,948,104
<b>Year ended 31 December 2022:</b>			
Profit and total comprehensive income for the year	-	287,639	287,639
Dividends	11	(1,000,000)	(1,000,000)
<b>Balance at 31 December 2022</b>	600,000	9,635,743	10,235,743

# ANGLO-NORDEN FOREST PRODUCTS LIMITED

## GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	28				
		4,480,359		(2,526,642)	
Interest paid		(93,691)		(25,786)	
Income taxes paid		(1,571,904)		(387,937)	
<b>Net cash inflow/(outflow) from operating activities</b>		2,814,764		(2,940,365)	
<b>Investing activities</b>					
Purchase of tangible fixed assets		(389,724)		(467,106)	
Proceeds on disposal of tangible fixed assets		25,000		35,675	
Interest received		8,657		5,532	
<b>Net cash used in investing activities</b>		(356,067)		(425,899)	
<b>Financing activities</b>					
Payment of finance leases obligations		(21,075)		(23,506)	
Dividends paid to equity shareholders		(1,000,000)		-	
<b>Net cash used in financing activities</b>		(1,021,075)		(23,506)	
<b>Net increase/(decrease) in cash and cash equivalents</b>		1,437,622		(3,389,770)	
Cash and cash equivalents at beginning of year		(1,630,660)		1,759,110	
<b>Cash and cash equivalents at end of year</b>		(193,038)		(1,630,660)	
<b>Relating to:</b>					
Cash at bank and in hand		919,297		127,529	
Bank overdrafts included in creditors payable within one year		(1,112,335)		(1,758,189)	

# ANGLO-NORDEN FOREST PRODUCTS LIMITED

## COMPANY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	29				
		4,943,186		(3,563,927)	
Interest paid		(53,710)		(5,737)	
Income taxes paid		(1,351,068)		(303,236)	
<b>Net cash inflow/(outflow) from operating activities</b>		3,538,408		(3,872,900)	
<b>Investing activities</b>					
Purchase of tangible fixed assets		(344,298)		(467,106)	
Proceeds on disposal of tangible fixed assets		25,000		33,175	
Interest received		8,657		5,532	
<b>Net cash used in investing activities</b>		(310,641)		(428,399)	
<b>Financing activities</b>					
Payment of finance leases obligations		(21,075)		(23,506)	
Dividends paid to equity shareholders		(1,000,000)		-	
<b>Net cash used in financing activities</b>		(1,021,075)		(23,506)	
<b>Net increase/(decrease) in cash and cash equivalents</b>		2,206,692		(4,324,805)	
Cash and cash equivalents at beginning of year		(1,308,432)		3,016,373	
<b>Cash and cash equivalents at end of year</b>		898,260		(1,308,432)	
<b>Relating to:</b>					
Cash at bank and in hand		898,260		100,852	
Bank overdrafts included in creditors payable within one year		-		(1,409,284)	



# ANGLO-NORDEN FOREST PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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### 1 Accounting policies

#### Company information

Anglo-Norden Forest Products Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Orwell Terminal, Eagle Wharf, Helena Road, Ipswich, IP3 0BT.

The group consists of Anglo-Norden Forest Products Limited and all of its subsidiaries.

#### 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.

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. The principal accounting policies adopted are set out below.

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £287,639 (2021 - £6,064,187 profit).

#### 1.2 Basis of consolidation

The consolidated financial statements incorporate those of Anglo-Norden Forest Products Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits).

All financial statements are made up to 31 December 2022. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

#### 1.3 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### 1.5 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.

# ANGLO-NORDEN FOREST PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 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:

Leasehold improvements	10% straight line
Plant and machinery	10% and 20% reducing balance
Fixtures, fittings and equipment	10% and 15% 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 recognised in the profit and loss account.

#### 1.6 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.7 Impairment of fixed assets

At each reporting period end date, the group 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.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

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.

# ANGLO-NORDEN FOREST PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1 Accounting policies

(Continued)

##### 1.8 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.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

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.

##### 1.9 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.

##### 1.10 Financial instruments

The group 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 group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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.

###### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

# ANGLO-NORDEN FOREST PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1 Accounting policies

(Continued)

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **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 group after deducting all of its 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.

##### **Other financial liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

# ANGLO-NORDEN FOREST PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### 1.11 Equity instruments

Equity instruments issued by the group 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 group.

#### 1.12 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 group'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.

#### 1.13 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.

#### 1.14 Retirement benefits

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

#### 1.15 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

# ANGLO-NORDEN FOREST PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### 1.16 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.

#### 1.17 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

### 2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. These include judgements relating to the amount of stock provisions. 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.

### 3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2022 £	2021 £
<b>Turnover analysed by class of business</b>		
Sale of goods	50,501,051	68,816,626
	<u>50,501,051</u>	<u>68,816,626</u>
	2022 £	2021 £
<b>Turnover analysed by geographical market</b>		
United Kingdom	49,535,837	67,106,782
Rest of the World	965,214	1,709,844
	<u>50,501,051</u>	<u>68,816,626</u>

# ANGLO-NORDEN FOREST PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 4 Operating profit

	2022 £	2021 £
Operating profit for the year is stated after charging/(crediting):		
Government grants	-	(12,815)
Depreciation of owned tangible fixed assets	242,301	169,564
Depreciation of tangible fixed assets held under finance leases	5,514	9,913
Loss/(Profit) on disposal of tangible fixed assets	(19,434)	(19,102)
Cost of stocks recognised as an expense	43,334,548	53,072,140
Operating lease charges	1,991	2,323
	<u>          </u>	<u>          </u>

### 5 Auditor's remuneration

	2022 £	2021 £
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	18,325	11,400
Audit of the company's subsidiaries	6,400	4,200
	<u>          </u>	<u>          </u>
	24,725	15,600
	<u>          </u>	<u>          </u>

### 6 Employees

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

	Group 2022 Number	2021 Number	Company 2022 Number	2021 Number
Office and management	22	24	19	21
Warehouse staff	9	10	9	10
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total	31	34	28	31
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

Their aggregate remuneration comprised:

	Group 2022 £	2021 £	Company 2022 £	2021 £
Wages and salaries	1,685,827	1,883,135	1,487,023	1,690,798
Social security costs	210,565	229,921	190,633	207,867
Pension costs	103,135	115,611	96,215	109,340
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	1,999,527	2,228,667	1,773,871	2,008,005
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

# ANGLO-NORDEN FOREST PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 7 Director's remuneration

	2022 £	2021 £
Remuneration for qualifying services	389,500	561,750

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2021 - 1).

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2022 £	2021 £
Remuneration for qualifying services	389,500	561,750

### 8 Interest receivable and similar income

	2022 £	2021 £
<b>Interest income</b>		
Other interest income	8,657	5,532

### 9 Interest payable and similar expenses

	2022 £	2021 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	29,295	1,829
<b>Other finance costs:</b>		
Interest on finance leases and hire purchase contracts	3,546	3,908
Other interest	60,850	20,049
Total finance costs	93,691	25,786

### 10 Taxation

	2022 £	2021 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	87,829	1,571,904
<b>Deferred tax</b>		
Origination and reversal of timing differences	78,125	67,532
Total tax charge	165,954	1,639,436



# ANGLO-NORDEN FOREST PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 10 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022 £	2021 £
Profit before taxation	700,285	8,631,500
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	133,054	1,639,985
Tax effect of expenses that are not deductible in determining taxable profit	4,253	18,602
Effect of change in corporation tax rate	55,441	-
Depreciation on assets not qualifying for tax allowances	2,484	2,484
Capital Allowances at enhanced rate	(19,625)	(24,216)
Deferred tax unprovided	(9,653)	2,581
Taxation charge	165,954	1,639,436

#### 11 Dividends

	2022 £	2021 £
Recognised as distributions to equity holders:		
Final paid	1,000,000	-

# ANGLO-NORDEN FOREST PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 12 Tangible fixed assets

Group	Leasehold improvements	Plant and fixtures, fittings and machinery	Motor vehicles	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 2022	404,005	958,249	284,637	2,006,705
Additions	-	139,197	16,982	389,724
Disposals	-	(201,600)	-	(223,502)
At 31 December 2022	404,005	895,846	301,619	2,172,927
<b>Depreciation and impairment</b>				
At 1 January 2022	192,800	480,693	111,382	970,123
Depreciation charged in the year	40,401	103,511	22,690	247,815
Eliminated in respect of disposals	-	(196,220)	-	(217,936)
At 31 December 2022	233,201	387,984	134,072	1,000,002
<b>Carrying amount</b>				
At 31 December 2022	170,804	507,862	167,547	1,172,925
At 31 December 2021	211,205	477,556	173,255	1,036,582
<b>Company</b>				
	£	£	£	£
<b>Cost</b>				
At 1 January 2022	404,005	883,965	282,216	1,898,135
Additions	-	139,197	16,982	344,298
Disposals	-	(201,600)	-	(223,502)
At 31 December 2022	404,005	821,562	299,198	2,018,931
<b>Depreciation and impairment</b>				
At 1 January 2022	192,800	455,616	109,468	928,070
Depreciation charged in the year	40,401	93,696	22,617	226,155
Eliminated in respect of disposals	-	(196,220)	-	(217,936)
At 31 December 2022	233,201	353,092	132,085	936,289
<b>Carrying amount</b>				
At 31 December 2022	170,804	468,470	167,113	1,082,642
At 31 December 2021	211,205	428,349	172,748	970,065

# ANGLO-NORDEN FOREST PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 12 Tangible fixed assets

(Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	Group 2022 £	2021 £	Company 2022 £	2021 £
Plant and machinery	22,060	39,648	22,060	39,648

### 13 Fixed asset investments

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Investments in subsidiaries	14	-	-	1,000	1,000

#### Movements in fixed asset investments Company

Shares in  
subsidiaries  
£

#### Cost or valuation

At 1 January 2022 and 31 December 2022

1,000

#### Carrying amount

At 31 December 2022

1,000

At 31 December 2021

1,000

### 14 Subsidiaries

Details of the company's subsidiaries at 31 December 2022 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Woodbank Timber Limited	England and Wales	Ordinary	100.00

### 15 Financial instruments

	Group 2022 £	2021 £	Company 2022 £	2021 £
<b>Carrying amount of financial assets</b>				
Debt instruments measured at amortised cost	5,962,506	7,108,904	5,589,153	7,419,659
<b>Carrying amount of financial liabilities</b>				
Measured at amortised cost	5,499,615	6,512,420	3,763,236	5,357,070

# ANGLO-NORDEN FOREST PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 16 Stocks

	Group 2022 £	2021 £	Company 2022 £	2021 £
Finished goods and goods for resale	10,359,201	13,425,367	6,762,076	9,709,253

### 17 Debtors

	Group 2022 £	2021 £	Company 2022 £	2021 £
<b>Amounts falling due within one year:</b>				
Trade debtors	5,761,466	6,926,709	4,977,004	6,099,006
Amounts owed by group undertakings	-	-	411,109	1,138,458
Other debtors	201,040	182,195	201,040	182,195
Prepayments and accrued income	268,381	127,429	268,381	91,971
	6,230,887	7,236,333	5,857,534	7,511,630

Included in trade debtors is £5,761,466 (2021 : £6,926,709) relating to amounts outstanding on an invoice discounting agreement.

### 18 Creditors: amounts falling due within one year

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Bank loans and overdrafts	20	1,112,335	1,758,189	-	1,409,284
Obligations under finance leases	21	4,534	21,130	4,534	21,130
Trade creditors		2,571,787	3,499,935	2,287,876	2,872,266
Amounts owed to group undertakings		1,000,000	-	1,000,000	-
Corporation tax payable		87,829	1,571,904	36,325	1,351,068
Other taxation and social security		518,982	778,059	353,953	502,428
Accruals and deferred income		810,959	1,228,687	470,826	1,049,911
		6,106,426	8,857,904	4,153,514	7,206,087

Net obligations under hire purchase contracts are secured on the assets concerned. The bank overdrafts are secured by fixed and floating charges over the assets of the group and an Intergroup Guarantee.

### 19 Creditors: amounts falling due after more than one year

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Obligations under finance leases	21	-	4,479	-	4,479

Net obligations under hire purchase contracts are secured on the assets concerned.

# ANGLO-NORDEN FOREST PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 20 Loans and overdrafts

	Group 2022 £	2021 £	Company 2022 £	2021 £
Bank overdrafts	1,112,335	1,758,189	-	1,409,284
Payable within one year	1,112,335	1,758,189	-	1,409,284

The bank overdrafts are secured by fixed and floating charges over the assets of the group and an Inter group Guarantee.

### 21 Finance lease obligations

	Group 2022 £	2021 £	Company 2022 £	2021 £
Future minimum lease payments due under finance leases:				
Within one year	4,534	21,130	4,534	21,130
In two to five years	-	4,479	-	4,479
	4,534	25,609	4,534	25,609

Finance lease payments represent rentals payable by the company or group for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 7 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

### 22 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

Group	Liabilities 2022 £	Liabilities 2021 £
Accelerated capital allowances	212,255	134,130
Company	Liabilities 2022 £	Liabilities 2021 £
Accelerated capital allowances	212,255	134,130

# ANGLO-NORDEN FOREST PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 22 Deferred taxation (Continued)

	Group 2022 £	Company 2022 £
<b>Movements in the year:</b>		
Liability at 1 January 2022	134,130	134,130
Charge to profit or loss	78,125	78,125
Liability at 31 December 2022	<u>212,255</u>	<u>212,255</u>

The net deferred tax liability expected to reverse in the year ended 31st December 2023 is £63,366. This primarily relates to the reversal of timing differences on acquired tangible assets and capital allowances through depreciation, offset by expected tax deductions when payments are made to utilise provisions.

### 23 Retirement benefit schemes

	2022 £	2021 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>103,135</u>	<u>115,611</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

### 24 Share capital

Group and company	2022 Number	2021 Number	2022 £	2021 £
<b>Ordinary share capital</b>				
<b>Issued and fully paid</b>				
Ordinary shares of £1 each	<u>600,000</u>	<u>600,000</u>	<u>600,000</u>	<u>600,000</u>

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

### 25 Operating lease commitments

#### Lessee

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

	Group 2022 £	2021 £	Company 2022 £	2021 £
Within one year	116,000	116,000	116,000	116,000
Between two and five years	<u>48,333</u>	<u>164,333</u>	<u>48,333</u>	<u>164,333</u>
	<u>164,333</u>	<u>280,333</u>	<u>164,333</u>	<u>280,333</u>

# ANGLO-NORDEN FOREST PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 26 Related party transactions

##### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate compensation	446,131	638,052

##### Other information

The company is exempt from disclosing related party transactions as they are with a company that is wholly owned within the Group.

At the year end the company was owed £201,040 (2021: £182,195) by a related company. Interest receivable on this balance during the year was £8,657.

During the year the following transactions took place with a company in which A Wedel is a shareholder

Costs of sales of £2,434,512

At the year end the company was owed £516,822 by the group.

#### 27 Controlling party

Anglo Norden Forest Products Limited is a wholly owned subsidiary of Hightide Properties Limited. The ultimate controlling party is A. Wedel.

#### 28 Cash generated from/(absorbed by) group operations

	2022 £	2021 £
Profit for the year after tax	534,331	6,992,064
<b>Adjustments for:</b>		
Taxation charged	165,954	1,639,436
Finance costs	93,691	25,786
Investment income	(8,657)	(5,532)
Gain on disposal of tangible fixed assets	(19,434)	(19,102)
Depreciation and impairment of tangible fixed assets	247,815	179,477
<b>Movements in working capital:</b>		
Decrease/(increase) in stocks	3,066,166	(8,167,570)
Decrease in debtors	1,005,446	575,849
Decrease in creditors	(604,953)	(3,747,050)
<b>Cash generated from/(absorbed by) operations</b>	<b>4,480,359</b>	<b>(2,526,642)</b>

# ANGLO-NORDEN FOREST PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 29 Cash generated from/(absorbed by) operations - company

	2022 £	2021 £
Profit for the year after tax	287,639	6,064,187
<b>Adjustments for:</b>		
Taxation charged	114,450	1,418,600
Finance costs	53,710	5,737
Investment income	(8,657)	(5,532)
Gain on disposal of tangible fixed assets	(19,434)	(18,383)
Depreciation and impairment of tangible fixed assets	226,155	161,084
<b>Movements in working capital:</b>		
Decrease/(increase) in stocks	2,947,177	(7,520,355)
Decrease in debtors	1,654,096	310,186
Decrease in creditors	(311,950)	(3,979,451)
<b>Cash generated from/(absorbed by) operations</b>	<b>4,943,186</b>	<b>(3,563,927)</b>

### 30 Analysis of changes in net debt - group

	1 January 2022 £	Cash flows £	31 December 2022 £
Cash at bank and in hand	127,529	791,768	919,297
Bank overdrafts	(1,758,189)	645,854	(1,112,335)
	(1,630,660)	1,437,622	(193,038)
Obligations under finance leases	(25,609)	21,075	(4,534)
	(1,656,269)	1,458,697	(197,572)

### 31 Analysis of changes in net funds/(debt) - company

	1 January 2022 £	Cash flows £	31 December 2022 £
Cash at bank and in hand	100,852	797,408	898,260
Bank overdrafts	(1,409,284)	1,409,284	-
	(1,308,432)	2,206,692	898,260
Obligations under finance leases	(25,609)	21,075	(4,534)
	(1,334,041)	2,227,767	893,726



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.