Consolidated Timber Holdings Limited

Annual Report and Audited Financial Statements

For the year ended 31 March 2015

Registered number: 02295212 (England and Wales)

Company information

Directors	M J Meyer (Chairman) M J P Bacon S D Holdsworth M J Laughlin A J Tilbury A P Smith J D Gregory D J Colman S P Sabine (appointed 1 April 2015)
Company number	02295212 (England and Wales)
Registered office	Clock House Station Approach Shepperton TW17 8AN United Kingdom
Independent auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Barclays Bank plc Floor 27 One Churchill Place London E14 5HP
Solicitors	Abrahams Dresden LLP 111 Charterhouse Street London EC1M 6AW

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Chairman's statement

for the year ended 31 March 2015

I am pleased to report that the last 12 months has been a very satisfactory period of time for the development of the group in terms of total level of activity and equally importantly if not more so, profitability. Apart from normal trading activities, two significant events have taken place during the course of the year. Firstly the relocation of Hoffman Thornwood Limited activities from Walthamstow to South Rainham and secondly the development of a new distribution depot for Falcon Panel Products Limited in West Bromwich, I shall refer to both these activities later in my statement.

I referred earlier to improvements in our trading situation; our turnover to the end of March 2015 has increased by some £23.5m or 20.7%. Group operating profit increased by £1.102m to £4.265m and after interest costs of £0.505m a profit of £3.760m was struck for the year, an increase of 37%.

The principal reasons for this improvement in performance were many, but high on the list must be the increased level of activity in construction, in particular in housing. The increase in the level of housing has been very significant and probably has been too rapid, in that a shortage of raw materials became apparent and more importantly a shortage of certain trade skills manifested itself. This impact on the whole industry has caused serious problems for those companies on fixed price contracts and the repercussions from these problem areas are being experienced and felt today.

The increase in the level of demand has also had considerable benefits; in the first half of the financial year significant price rises were experienced in both Softwood and certain types of panel products. Unfortunately other parts of the global market did not necessarily experience the same benefit, with the result that later in the year we experienced a fall in price levels in particular in Softwood and fibre boards, exacerbated by the strength of Sterling against the Dollar and in particular the Euro and the Swedish Crown. As a result Softwood prices over the winter period fell dramatically by as much as 25% in certain qualities of European production. I am pleased to say that through judicious purchasing we managed to ride out the storm, albeit that our margins came under some degree of pressure.

I referred earlier to the relocation of Hoffman Thornwood Limited activities from Walthamstow to South Rainham. We have built a new state of the art factory of 50,000 square feet with 2,500 square feet of office space, at Easter Park on a new industrial estate. The whole project took less than a year to complete and I should like to congratulate the management of that important part of our group on successfully ensuring that the factory was up and running and that Walthamstow had been closed by the 1st May, the original date envisaged. It is never easy planning and executing a project of this nature and things never go 100% right, however I am sure that Hoffman Thornwood Limited will prosper enormously in their new environment.

In December last year Falcon Panel Products Limited opened their second distribution depot at West Bromwich. I am pleased to say that so far this has been a successful venture, the level of activity has been most satisfactory. We are of the opinion that this venture will continue to develop most effectively.

Annually I make comment about the contribution that the company's excellent staff makes to the business. The last 12 months have been no exception and for some it has been a difficult period of time, once again I should like to thank all for their efforts.

I am of the opinion that the outlook in demand for our range of products will continue to be on a sound basis. From what I can see there is a commitment to the construction industry, in particular housing, which hopefully will continue in an increase in consumption. Many exciting changes are taking place in product development, which hopefully will allow timber based products to win market share from competitive products. I believe that our group is well placed to take advantage of this scenario.

M J Meyer
Date: 18th September 2015

Directors' report
for the year ended 31 March 2015

The directors present their report together with the group Strategic report and the financial statements of Consolidated Timber Holdings Limited ('the company') and the group for the year ended 31 March 2015.

Directors
The directors in office during the year were as follows:

M J Meyer
M J P Bacon
S D Holdsworth
M J Laughlin
A J Tilbury
A P Smith
J D Gregory
D J Colman

S P Sabine was appointed on 1 April 2015.

Statement of directors' responsibilities
The directors are responsible for preparing the group Strategic report, the Directors' report and the group 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 group and of the company and the profit or loss of the group 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 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 financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

Directors' report
for the year ended 31 March 2015

Statement of directors' responsibilities (continued)
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the directors confirms that:

- so far as the director is aware, there is no relevant audit information of which the group's and the company's auditor is unaware; and

- the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's and the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Signed by order of the Board:

S D Holdsworth
Director

Approved by the board on: 18th September 2015

Strategic report

for the year ended 31 March 2015

Principal activity

The principal activity of the group is the distribution of timber and panel products and packing cases.

Review of business and future developments

The group's profit after taxation for the period amounted to £2,902,002 (2014 - £2,171,682).

A commentary on the group's performance in the period, the effect of the economic climate, post year end events and future prospects is contained in the Chairman's Statement on page 1.

The directors declared and paid interim dividends of £241,800 (2014 - £241,800) and a final dividend of £120,900 (2014 - £nil), and propose that the retained profit after tax and dividends of £2,539,302 (2014 – £1,929,882) be transferred to reserves.

Key performance indicators

The key performance indicators used by management to determine the progress and performance of the group are: gross profit margins and volumes sold on a line by line basis and by customer; stock turn; debtor days; and the return on capital employed.

During the period under review, the group's gross profit margin was 14.1% (2014 – 14.0%), the overall volume of raw material sold marginally increased, debtor days decreased from 65 to 55 days, and the return on capital employed was 11.4% (2014 –12.1%).

Financial instruments and risk management

The principal financial instruments of the group comprise bank balances, bank and other borrowings, trade debtors, trade creditors, factored receivables, stock drawdown facilities and forward exchange contracts. The main purpose of these instruments is to raise funds for the group's operations.

Principal risk and uncertainties

The management of the business and the execution of the group's strategy are subject to a number of risks.

Credit risk

The group's maximum exposure to credit risk in relation to financial assets is represented by bank balances and cash, trade and other receivables. The group has no significant concentration of credit risk; credit insurance has been obtained to limit the group's exposure.

Liquidity risk

The group's policy on liquidity risk is to ensure that sufficient cash is available to fund ongoing operations. The group's borrowing facilities are principally provided by bank overdrafts and factored receivables. These are regularly reviewed to ensure they exceed forecast gross debt levels.

Interest rate risk

The group is exposed to interest rate risk on its bank overdrafts, factored receivables, and stock drawdown facilities which are subject to variable rates of interest linked to bank base rates.

Strategic report
for the year ended 31 March 2015

Foreign currency risk

The group's principal foreign currency exposures arise from purchases from overseas companies. The group has small transactional foreign currency exposures that are hedged using forward contracts.

Signed by order of the board of directors:

M J Meyer
Director
Approved on: 18th September 2015

Buzzacott
CHARTERED ACCOUNTANTS

Independent auditor's report to the members of Consolidated Timber Holdings Limited

for the year ended 31 March 2015

We have audited the financial statements of Consolidated Timber Holdings Limited for the year ended 31 March 2015, which comprise the group profit and loss account, the group and company balance sheets, the group cash flow statement, the group statement of total recognised gains and losses and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditors
As explained more fully in the statement of directors' responsibilities set out in the directors' report, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements
A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate

Opinion on financial statements
In our opinion the financial statements:

- give a true and fair view of the state of affairs of the group and of the company as at 31 March 2015 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.

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the group strategic report and the group directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Buzzacott
CHARTERED ACCOUNTANTS

Independent auditor's report to the members of Consolidated Timber Holdings Limited

for the year ended 31 March 2015

Matters on which we are required to report by exception

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.

Buzzacott LLP

Mark Worsey
Senior statutory auditor
for and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 21 September 2015

Consolidated profit and loss account
for the year ended 31 March 2015

	Note	2015 £	2014 £
Turnover		**136,979,485**	113,446,046
Cost of sales		**(117,689,471)**	(97,570,819)
Gross Profit		**19,290,014**	15,875,227
Distribution costs		**(3,891,201)**	(3,051,379)
Administrative expenses		**(11,133,682)**	(9,660,704)
Group operating profit		**4,265,131**	3,163,144
Profit on ordinary activities before interest and taxation		**4,265,131**	3,163,144
Net interest payable	2	**(504,815)**	(409,080)
Profit on ordinary activities before taxation	4	**3,760,316**	2,754,064
Taxation	5	**(858,314)**	(582,382)
Profit for the financial period	15	**2,902,002**	2,171,682

All of the group's activities derived from continuing operations during the above two financial years.

There is no material difference between the profit on ordinary activities before taxation and the retained profit for the periods stated above, and their historical cost equivalent.

The notes on pages 13 to 31 form an integral part of these financial statements.

Consolidated statement of total recognised gains and losses

for the year ended 31 March 2015

	2015	2014
Consolidated statement of total recognised gains and losses	**£**	£
Profit for the financial period after taxation	**2,902,002**	2,171,682
Actuarial (losses)/gains on defined benefit pension scheme	**(1,291,000)**	89,000
Deferred tax on actuarial gains/(losses) on defined benefit pension scheme	**258,200**	(18,690)
Revaluation of property	—	54,000
Total recognised gains for the financial period	**1,869,202**	2,295,992

The notes on pages 13 to 31 form an integral part of these financial statements.

Consolidated balance sheet

for the year ended 31 March 2015

	Note	2015 £	2015 £	2014 £	2014 £
Fixed assets					
Intangible assets	8		**4,227,617**		4,516,373
Tangible assets	9		**11,637,166**		5,204,749
Investments	10		**120,000**		150,000
			15,984,783		9,871,122
Current assets					
Stocks – goods for resale		**20,873,393**		19,513,101	
Debtors	11	**28,253,674**		27,247,494	
Cash at bank and in hand		**2,380**		392,822	
		49,129,447		47,153,417	
Creditors – amounts falling due within one year	12a	**(47,082,043)**		(40,830,196)	
Net current assets			**2,047,404**		6,323,221
Total assets less current liabilities			**18,032,187**		16,194,343
Creditors – amounts falling due after more than one year	12b		**(1,579,101)**		(1,989,519)
Provision for liabilities	13		**(172,000)**		(121,000)
Net assets excluding pension liability			**16,281,086**		14,083,824
Pension liability	7		**2,362,400**		1,671,640
Capital and reserves					
Called up share capital	14		**806,000**		806,000
Share premium account	15		**600,000**		600,000
Revaluation reserve	15		**664,248**		664,248
Capital redemption reserves	15		**1,244,000**		1,244,000
Capital reserves	15		**475,847**		475,847
Profit and loss account	15		**10,128,591**		8,622,089
Shareholders' funds – Equity interest	17		**13,918,686**		12,412,184
			16,281,086		14,083,824

Signed on behalf of the board of directors by:

M J Meyer
Director

Approved by the board on: 18 September 2015

The notes on pages 13 to 31 form an integral part of these financial statements.

Company balance sheet

for the year ended 31 March 2015

	Note	2015 £	2015 £	2014 £	2014 £
Fixed assets					
Tangible assets	9		**141,017**		169,740
Investments	10		**9,908,038**		9,938,038
			10,049,055		10,107,778
Current assets					
Debtors	11	**4,766,083**		2,176,499	
Cash		**750**		1,007,634	
		4,766,833		3,184,133	
Creditors – amounts falling due within one year	12a	**(10,706,122)**		(8,273,880)	
Net current liabilities			**(5,939,289)**		(5,089,747)
Total assets less current liabilities			**4,109,766**		5,018,031
Creditors – amounts falling due after more than one year	12b		**(381,000)**		(762,000)
Net assets excluding pension liability			**3,728,766**		4,256,031
Pension liability	7		**2,362,400**		1,671,640
Capital and reserves					
Equity share capital	14		**806,000**		806,000
Share premium account	15		**600,000**		600,000
Capital redemption reserves	15		**1,244,000**		1,244,000
Profit and loss account	15		**(1,283,634)**		(65,609)
Shareholders' funds – Equity interest	17		**1,366,366**		2,584,391
			3,728,766		4,256,031

Signed on behalf of the board of directors by:

M J Meyer
Director
Approved by the board on: 18th September 2015

The notes on pages 13 to 31 form an integral part of these financial statements.

Cash flow statement

for the year ended 31 March 2015

	Note	2015 £	2014 £
Cash inflow from operating activities	18	**4,180,371**	1,067,509
Returns on investments and servicing of finance			
Interest received		**47,731**	17,826
Interest paid		**(526,546)**	(367,906)
		(478,815)	(350,080)
Taxation paid		**(481,569)**	(539,716)
Capital expenditure and financial investment			
Payments to acquire tangible fixed assets		**(6,954,483)**	(452,186)
Sale of tangible fixed assets		**14,640**	—
New loans to related parties (note 24)		**(2,490,965)**	—
Loans repaid by related parties (note 24)		**900,000**	—
		(8,530,808)	(452,186)
Acquisitions and disposals			
Purchase of investments in subsidiary undertakings		**(200,000)**	(3,626,026)
Net cash acquired with subsidiary undertakings		—	24,607
		(200,000)	(3,601,419)
Equity dividends paid		**(362,700)**	(241,800)
Cash outflow before use of liquid resources and financing		**(5,873,521)**	(4,117,692)
Financing			
Increase in loans		**1,653,096**	543,000
Repayment of amounts borrowed		**(263,840)**	(114,242)
Increase in factored receivables		**3,890,276**	1,529,638
Increase in stock drawdown facilities		**49,717**	2,258,455
Change in finance lease obligations		**153,830**	(35,143)
		5,483,079	4,181,708
(Decrease)/increase in cash in the period		**(390,442)**	64,016

Reconciliation of net cash flow to movement in net debt

	Note	2015 £	2014 £
(Decrease)/increase in cash in the period	19	**(390,442)**	64,016
Cash inflow from increase in debt and finance lease creditors		**(5,483,079)**	(4,181,708)
Net debt acquired with subsidiary		—	(2,086,984)
Movement in net debt	19	**(5,873,521)**	(6,204,676)
Net debt at 31 March 2014	19	**(16,800,165)**	(10,595,489)
Net debt at 31 March 2015	19	**(22,673,686)**	(16,800,165)

The notes on pages 13 to 31 form an integral part of these financial statements.

Notes to the financial statements
for the year ended 31 March 2015

1 Accounting policies

Basis of accounting
The financial statements have been prepared under the historical cost convention, as modified by the revaluation of fixed assets, and in accordance with applicable United Kingdom Accounting Standards.

Basis of consolidation
The group financial statements consolidate the results of the company, its subsidiaries and associated companies made up to 31 March. The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passed. Acquisitions are accounted for under the acquisitions method.

No profit and loss account is presented for Consolidated Timber Holdings Limited as permitted by Section 408 of the Companies Act 2006.

Turnover
Turnover represents amounts invoiced for sales and services, as principal and agent, excluding value added tax. No further disclosure has been given of the group's turnover since in the opinion of the directors such disclosure would be seriously prejudicial to the interests of the group.

Deferred taxation
Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations for periods different from those in which they are included in the financial statements.

Deferred tax is not recognised on timing differences arising on revalued properties unless the company has entered into a binding sale agreement and is not proposing to take advantage of rollover relief.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Goodwill
Goodwill arising on consolidation as a result of the acquisition of subsidiaries is capitalised in the balance sheet and amortised on a straight line basis over its useful economic life, up to a maximum of 20 years. A provision is made for any impairment.

Under the transitional provisions of Financial Reporting Standard 10, Goodwill and Intangible Assets, negative goodwill on the acquisition of subsidiaries before the adoption of FRS 10, has been added to the capital reserve.

Tangible fixed assets and depreciation
Freehold properties are included in the balance sheet at their open market value and the aggregate surplus or deficit over cost is transferred to a revaluation reserve.

Notes to the financial statements
for the year ended 31 March 2015

1 Accounting policies (continued)

Tangible fixed assets and depreciation

Depreciation is provided by equal annual instalments to write off the cost of tangible fixed assets over their expected useful lives.

The rates of depreciation are as follows:

• Freehold property	2% per annum on cost
• Leasehold property	Over the period of the lease
• Plant and machinery	7½% - 25%
• Motor vehicles	20% - 25%
• Fixtures, fittings and equipment	25% - 33%

Depreciation is not charged on the value of land.

Investments

Except as stated below, investments are included at cost, less provision for any permanent diminution in value.

In the consolidated financial statements, the group's interest in associated undertakings is stated using the equity method of accounting. The group's share of the results of associated undertakings is included in the consolidated profit and loss account. Investments in associated undertakings are carried in the consolidated balance sheet at the group's share of their net assets. Where year ends of associated undertakings are not coterminous, adjustments are made to reflect material transactions.

Stocks

Stocks, which represent timber and panel products purchased for resale, are stated at the lower of cost and net realisable value.

Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Pension costs

For the defined benefit pension scheme, the cost of providing benefits is calculated annually by an independent actuary using the projected unit method. The charge to the profit and loss account represents the current service cost of such obligations. The expected return on scheme assets and the interest cost on scheme liabilities are included under net interest in the profit and loss account.

The pension liability recognised in the balance sheet represents the excess of the present value of scheme liabilities over the fair value of the scheme assets. Differences between the actual and expected returns on assets and experience gains and losses arising on scheme liabilities during the period, together with differences arising from changes in assumptions, are recognised in the statement of total recognised gains and losses.

Pension costs in respect of the group's defined contribution pension schemes represent contributions payable in the period to the schemes by the group.

Notes to the financial statements
for the year ended 31 March 2015

1 **Accounting policies** (continued)

Operating leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

2 **Net interest payable**

	2015	2014
	£	£
Interest payable on bank and other borrowings repayable within five years	**526,546**	367,906
Interest on pension scheme liabilities	**452,000**	444,000
Bank and other interest receivable	**(47,731)**	(17,826)
Expected return on pension scheme assets	**(426,000)**	(385,000)
	504,815	409,080

3 ***Directors' remuneration***

	2015	2014
	£	£
Aggregate remuneration	**1,215,171**	1,010,055
Payment to defined contribution pension schemes	**114,829**	141,560
	1,330,000	1,151,615

Retirement benefits are accruing to 5 directors (2014 – 6) under defined contribution schemes.

Highest paid director

	2015	2014
	£	£
Total amount of remuneration	**228,113**	184,242
Payments to defined contribution schemes	—	35,640
	228,113	219,882

Notes to the financial statements
for the year ended 31 March 2015

4 Profit on ordinary activities before taxation

	2015	2014
	£	£
This is stated after charging/(crediting):		
Staff costs (including directors)		
- Wages and salaries	**8,226,200**	6,475,581
- Social security costs	**869,667**	719,824
- Other pension costs	**334,867**	387,339
	9,430,734	7,582,744
Depreciation of tangible fixed assets		
- Owned by the company	**415,262**	371,818
- Held under finance leases	**61,145**	30,572
Amortisation of intangible fixed assets	**288,756**	193,916
Amortisation of investments	**30,000**	30,000
Auditor's remuneration		
- Audit of the company's and group's financial statements	**4,800**	7,200
- Audit of the company's subsidiaries pursuant to legislation	**113,400**	105,000
- Tax advisory services	**20,400**	15,350
Operating lease rentals		
- Plant and machinery	**75,791**	47,831
- Motor vehicles	**216,026**	194,004
- Property leases	**765,662**	718,473
Foreign exchange adjustments	**(111,979)**	(37,661)

The average monthly number of persons (including directors) employed by the group during the period was 223 (2014 –181), analysed as follows:

	2015	2014
Sales and production	**158**	133
Finance and administration	**65**	48
	223	181

Notes to the financial statements

for the year ended 31 March 2015

5 Taxation

(a) the tax charge on the profit on ordinary activities for the period was as follows:

	2015	2014
	£	£
Corporation tax at 21% (2014 – 23%)		
- Current period	699,048	399,122
- Previous period	(3,694)	—
Current tax charge	695,354	399,122
Deferred tax	51,000	3,000
Deferred tax attributable to FRS 17	111,960	180,260
	858,314	582,382

(b) tax recognised directly in equity through the statement of total recognised gains and losses.

	2015	2014
	£	£
Deferred tax (credit)/charge on actuarial gains and losses on defined benefit pension scheme	(258,200)	18,690

(c) factors affecting tax charge for the period

	2015	2014
	£	£
Profit on ordinary activities for the period before taxation	3,760,316	2,754,064
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21% (2014 – 23%)	789,666	633,435
Non-deductible expenses	109,730	93,753
Difference between capital allowances and depreciation for the period	(94,283)	(18,291)
Other timing differences	219,277	(182,272)
Losses utilised	(38,389)	(42,615)
Other adjustments	(286,953)	(84,008)
Effect of lower tax rates	—	(900)
Adjustments in respect of prior year	(3,694)	20
Current tax charge	695,354	399,122

6 Dividends

	2015	2014
	£	£
Interim dividends paid of £0.30 per share (2014 - £0.30)	241,800	241,800
Final dividend paid of £0.15 per share (2014 - £nil)	120,900	—
	362,700	241,800

After the balance sheet date dividends totalling £82,529 were proposed and paid.

Notes to the financial statements
for the year ended 31 March 2015

7 Pension schemes

The group operates a number of pension schemes. The assets of all pension schemes are held in separate trustee administered funds and held separately from those of the group.

Defined benefit scheme

The group operates a funded defined benefit pension scheme (the Consolidated Timber Holdings Limited Pension Scheme) for certain full time employees. The cost of the group's contribution to the defined benefit scheme is calculated in accordance with the advice of an independent qualified actuary. The latest formal actuarial valuation of the scheme was carried out as at 31 December 2014. The principal assumptions adopted in the valuation were that: the investment return pre-retirement would be 5.4% per annum; investment return post-retirement would be 3.6%; and rate of inflation would be 3.2% per annum.

At the date of the latest actuarial valuation, the market value of the scheme's assets was £8.287 million and the value of these assets represented 73% of the benefits that had accrued to members, after allowing for expected future increases in earnings.

FRS17 disclosure for defined benefit scheme

United Kingdom Financial Reporting Standard 17 'Retirement Benefits', published in November 2000, sets out a basis for valuing pension scheme liabilities which is different from the triennial valuation. The Consolidated Timber Holdings Limited Pension Scheme is a defined benefit scheme and the most recent completed triennial valuation was made as at 31 December 2014. An independent actuary has completed the actuarial valuation, using the Projected Unit Credit Method to 31 March 2015 for the purposes of reporting under FRS 17.

The main financial assumptions in the FRS17 valuation are as follows:

	2015	2014	2013
	% pa	% pa	% pa
Rate of increase in pensions in payment	**3.10**	3.50	3.60
Rate of increase in deferred pension	**2.30**	2.80	2.70
Rate of retail price inflation	**3.30**	3.80	3.70
Rate of consumer price inflation	**2.30**	2.80	2.70
Liability discount rate	**3.30**	4.40	4.20

Assuming retirement at age 65, the life expectancy in years is as follows:

	At 31 March 2015	At 31 March 2014
For a male aged 65 now	**22.5**	22.1
At 65 for a male member aged 45 now	**24.3**	24.4
For a female aged 65 now	**24.7**	24.8
At 65 for a female member aged 45 now	**26.6**	27.1

Notes to the financial statements
for the year ended 31 March 2015

7 Pension scheme (continued)

The fair value of assets in the scheme and the present value of the liabilities and the expected rate of return as at 31 March 2015 were as follows:

	Investment return 2015	2015 £	Investment return 2014	2014 £
Equities	6.6% pa	**4,390,000**	6.1% pa	3,916,000
Cash	0.5% pa	**1,067,000**	0.5% pa	1,009,000
Corporate Bonds	4.2% pa	**1,863,000**	4.2% pa	1,856,000
Other assets	5.4% pa	**1,772,000**	4.9% pa	1,596,000
Total market value of the scheme assets		**9,092,000**		8,377,000
Present value of scheme liabilities		**(12,045,000)**		(10,493,000)
Deficit in the scheme		**(2,953,000)**		(2,116,000)
Related tax assets at 20% (2014 – 21%, 2013– 23%)		**590,600**		444,360
Net pension liability		**(2,362,400)**		(1,671,640)

The remaining balance of £2,362,400 (2014 - £1,671,640) has been recognised in the pension liability.

Analysis of amounts charged or (credited) to net interest payable (note 2):

	2015 £	2014 £
Expected return on pension scheme assets	**(426,000)**	(385,000)
Interest on pensions scheme liabilities	**452,000**	444,000
	26,000	59,000

Movement in deficit before tax during the period:

	2015 £	2014 £
Deficit in the scheme as at 1 April 2014	**(2,116,000)**	(2,797,000)
Movements in the period		
- Contributions paid	**480,000**	651,000
- Other finance cost	**(26,000)**	(59,000)
- Actuarial (loss)/gain	**(1,291,000)**	89,000
Deficit in the scheme at 31 March 2015	**(2,953,000)**	(2,116,000)

Analysis of amounts that go through the statements of total recognised gains and losses:

	2015 £	2014 £
Actual return less expected return on pension scheme assets	**238,000**	(36,000)
Net experience loss arising on the scheme liabilities	**(87,000)**	(201,000)
Change in assumptions underlying the present value for the scheme liabilities	**(1,442,000)**	326,000
Actuarial (loss)/gain recognised	**(1,291,000)**	89,000

Notes to the financial statements
for the year ended 31 March 2015

7 Pension scheme (continued)

History of experience gains and losses:

	2015	2014	2013	2012	2011
Difference between the expected and actual return on scheme assets					
Amount	**238,000**	(36,000)	304,000	(376,000)	(26,000)
Percentage of scheme assets	**2.6%**	0.4%	3.9%	5.2%	0.4%
Experience gains and (losses) on scheme liabilities					
Amount	**(87,000)**	(201,000)	(26,000)	(133,000)	18,000
Percentage of present value of scheme liabilities	**0.7%**	2.4%	0.2%	1.3%	0.2%
Total amount recognised in statement of total recognised gains and losses					
Amount	**(1,291,000)**	89,000	(250,000)	(1,492,000)	330,000
Percentage of present value of scheme liabilities	**10.7%**	1.1%	2.4%	15.0%	3.7%

On 1 July 2002, the company's defined benefit pension scheme closed for further accrual of benefits. This event has been taken into account in the above calculations. The current service cost for the year is £nil (2014 - £nil).

Contributions for the year to 31 March 2015 are expected to be £480,000 (2014 - £476,000).

Defined contribution schemes
The group also operates defined contribution pension schemes for a number of employees within the group. The pension cost of contributions to these schemes was £334,867 (2014 - £387,339).

8 Intangible assets - Goodwill

	2015
	£
Cost	
At 1 April 2014	**5,648,105**
At 31 March 2015	**5,648,105**
Amortisation	
At 1 April 2014	**1,131,732**
Charge for period	**288,756**
At 31 March 2015	**1,420,488**
Net book values	
At 31 March 2015	**4,227,617**
At 31 March 2014	**4,516,373**

Notes to the financial statements
for the year ended 31 March 2015

9 *Tangible fixed assets*

Group	Freehold property £	Leasehold property £	Plant & machinery £	Motor vehicles £	Fixtures, fittings & equipment £	Total £
Cost or valuation						
At 1 April 2014	3,161,336	188,441	4,422,504	25,663	800,252	**8,598,196**
Additions	—	5,221,447	1,389,262	—	343,774	**6,954,483**
Disposals	—	(111,307)	(1,727,957)	(18,679)	(151,304)	**(2,009,247)**
At 31 March 2015	3,161,336	5,298,581	4,083,809	6,984	992,722	**13,543,432**
Depreciation						
At 1 April 2014	17,448	126,461	2,660,386	23,145	566,007	**3,393,447**
Charge for period	34,897	16,173	330,161	379	94,797	**476,407**
Disposals	—	(111,307)	(1,682,298)	(18,679)	(151,304)	**(1,963,588)**
At 31 March 2015	52,345	31,327	1,308,249	4,845	509,500	**1,906,266**
Net book values						
At 31 March 2015	3,108,991	5,267,254	2,775,560	2,139	483,222	**11,637,166**
At 31 March 2014	3,143,888	61,980	1,762,118	2,518	234,245	**5,204,749**

All freehold property was valued on the basis of open market value either by Simpsons Chartered Surveyors on 24 June 2014 or by ABN AMRO Commercial Finance Plc on 4 October 2012. The historical cost of these properties was £2,774,614 (2014 - £2,774,614).

Included in freehold property is land at cost of £240,000 (2014 - £240,000), which is not depreciated.

Included within the net book value of tangible fixed assets is £773,476 (2014 - £489,366) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation included in the charge for the year on these assets was £61,145 (2014 - £30,572).

Company	Leasehold property £	Fixtures, fittings & equipment £	**Total £**
Cost or valuation			
At 1 April 2014	49,179	176,117	**225,296**
Additions	—	12,318	**12,318**
At 31 March 2015	49,179	188,435	**237,614**
Depreciation			
At 1 April 2014	17,691	37,865	**55,556**
Charge for period	5,248	35,793	**41,041**
At 31 March 2015	22,939	73,658	**96,597**
Net book values			
At 31 March 2015	26,240	114,777	**141,017**
At 31 March 2014	31,488	138,252	**169,740**

Notes to the financial statements
for the year ended 31 March 2015

10 Fixed asset investments

Group	2015 £
Shares in associates	
Equity	
At 1 April 2014	300,000
At 31 March 2015	300,000
Amortisation	
At 1 April 2014	150,000
Charge for period	30,000
At 31 March 2015	180,000
Net book values	
At 31 March 2015	120,000
At 31 March 2014	150,000

Company	2015 £
Shares in subsidiary undertakings and associates	
Equity	
At 1 April 2014	10,088,038
At 31 March 2015	10,088,038
Amortisation	
At 1 April 2014	150,000
Charge for period	30,000
At 31 March 2015	180,000
Net book values	
At 31 March 2015	9,908,038
At 31 March 2014	9,938,038

11 Debtors

	Group 2015 £	Group 2014 £	Company 2015 £	Company 2014 £
Trade debtors	24,562,942	24,308,987	27,516	28,222
Amounts owed by group undertakings	—	—	2,920,489	1,984,847
Other debtors	1,995,501	760,984	1,704,850	105,056
Prepayments and accrued income	543,186	729,945	113,228	58,374
Bills of exchange receivable	1,152,045	1,447,578	—	—
	28,253,674	27,247,494	4,766,083	2,176,499

Included in other debtors for the group and the company is an amount of £1,354,020 (2014- £nil) due after one year.

Notes to the financial statements

for the year ended 31 March 2015

12a Creditors: amounts falling due within one year

	Group 2015 £	Group 2014 £	**Company 2015 £**	Company 2014 £
Amounts due in respect of factored receivables:				
- BNP Paribas Commercial Finance Ltd	**15,628,267**	11,718,568	—	—
- ABN Amro Commercial Finance Plc	**1,201,896**	1,221,319	—	—
Amounts due under stock drawdown facility:				
- BNP Paribas Commercial Finance Ltd	**2,308,172**	2,258,455	—	—
Bank loans and overdrafts	**1,797,972**	153,840	**2,215,268**	—
Amounts owed to group undertakings	—	—	**6,896,870**	7,103,496
Trade creditors	**19,149,452**	19,518,516	**129,880**	63,297
Other loans	**252,000**	181,000	**252,000**	181,000
Other creditors	**436,308**	309,122	**308,888**	301,983
Net obligations due under hire purchase contracts	**108,658**	70,286	—	—
Corporation tax	**699,049**	485,264	—	—
Other taxation and social security	**2,780,369**	2,723,540	**786,768**	494,216
Accruals	**2,719,900**	2,190,286	**116,448**	129,888
	47,082,043	40,830,196	**10,706,122**	8,273,880

The amounts due in respect of factored receivables are secured by trade debtors (note 11) and by an unlimited multilateral company guarantee (note 20).

The amounts due under stock drawdown facility are secured against the stock held in MBM Forest Products Limited of £10,486,839 (2014 - £9,025,103).

12b Creditors: Amounts falling due after more than one year

	Group 2015 £	Group 2014 £	**Company 2015 £**	Company 2014 £
Bank loans	**836,184**	981,060	—	—
Other borrowings	**181,000**	362,000	**181,000**	362,000
Other creditors	**200,000**	400,000	**200,000**	400,000
Net obligations due under hire purchase contracts	**361,917**	246,459	—	—
	1,579,101	1,989,519	**381,000**	762,000

All creditors of the group and company are due within five years.

Notes to the financial statements
for the year ended 31 March 2015

12c Creditors: Maturity analysis

The maturity analysis of the group's and company's bank and other borrowings is as follows:

	Group 2015 £	Group 2014 £	**Company 2015 £**	Company 2014 £
Within one year or on demand:				
Bank loans and overdrafts	**1,797,972**	153,840	**2,215,268**	—
Amounts due in respect of factored receivables	**16,830,163**	12,939,887	—	—
Amounts due under stock drawdown facility	**2,308,172**	2,258,455	—	—
Other borrowings	**252,000**	181,000	**252,000**	181,000
Net obligations due under hire purchase *contracts*	**108,658**	70,286	—	—
	21,296,965	15,603,468	**2,467,268**	181,000
Between one and five years:				
Bank loan	**836,184**	981,060	—	—
Other borrowings	**181,000**	362,000	**181,000**	362,000
Net obligations due under hire purchase contracts	**361,917**	246,459	—	—
	1,379,101	1,589,519	**181,000**	362,000
	22,676,066	17,192,987	**2,648,268**	543,000

£1,974,156 (2014 - £354,900) of the group bank loans and overdrafts is a liability to Barclays Bank Plc which is secured by charges on the freehold and long leasehold properties held by Meridian and also by a guarantee given by Consolidated Timber Holdings Limited and certain group companies (note 20).

The remaining £660,000 (2014 - £780,000) of group bank loans are creditors of Triesse Holdings Limited (Triesse Holdings), which has a liability to ABN Amro Commercial Finance Plc. The bank loan is secured by a legal mortgage over Triesse Holdings' freehold property and by a fixed and floating charge over Triesse Holdings' assets.

The group's net obligations under hire purchase contracts of £470,575 (2014 - £316,745) are creditors of Triesse Limited. These obligations are secured on the assets to which they relate.

Notes to the financial statements
for the year ended 31 March 2015

13 Provision for liabilities

Deferred tax	**Group 2015 £**	Group 2014 £	**Company 2015 £**	Company 2014 £
Balance at 1 April 2014	**(323,360)**	(588,310)	**(444,360)**	(643,310)
On acquisition of subsidiary	—	63,000	—	—
Transfer to profit and loss account	**162,960**	183,260	**111,960**	180,260
Debited/(credited) to statement of total recognised gains and losses	**(258,200)**	18,690	**(258,200)**	18,690
Balance at 31 March 2015 including deferred tax in pension liability	**(418,600)**	(323,360)	**(590,600)**	(444,360)

	Group 2015 £	Group 2014 £	**Company 2015 £**	Company 2014 £
Deferred taxation provided in the financial statements is as follows:				
Tax losses carried forward	**(21,519)**	—	—	—
Accelerated capital allowances	**193,519**	121,000	—	—
Deferred tax provision	**172,000**	121,000	—	—
Deferred tax asset on pension liability (note 7)	**(590,600)**	(444,360)	**(590,600)**	(444,360)
	(418,600)	(323,360)	**(590,600)**	(444,360)

Of the deferred tax balance, the asset of £590,600 (2014 - £444,360) has been deducted in arriving at the net pension liability on the balance sheet.

The recoverability of the deferred tax asset on the pension liability is dependent on future taxable profits exceeding those arising from the reversal of the deferred tax assets.

14 Called up share capital

	2015 £	2014 £
Allotted, called up and fully paid		
Ordinary shares of £1 each	**806,000**	806,000

Notes to the financial statements
for the year ended 31 March 2015

15 Reserves

Group	Share premium account £	Revaluation reserve £	Capital redemption reserve £	Capital reserves £	Profit and loss account £
At 1 April 2014	600,000	664,248	1,244,000	475,847	8,622,089
Retained profit	—	—	—	—	2,902,002
Dividends paid	—	—	—	—	(362,700)
Actuarial loss on pension liability	—	—	—	—	(1,291,000)
Deferred tax on pension liability	—	—	—	—	258,200
At 31 March 2015	600,000	664,248	1,244,000	475,847	10,128,591

The cumulative amount of negative goodwill within the capital reserve as at 31 March 2015 is £475,847 (2014 - £475,847). This negative goodwill will be credited to the profit and loss account on subsequent disposal of the subsidiaries.

Company	Share premium account £	Capital redemption reserve £	Profit and loss account £
At 1 April 2014	600,000	1,244,000	(65,609)
Profit for the financial period	—	—	177,475
Dividends paid	—	—	(362,700)
Actuarial loss on pension liability	—	—	(1,291,000)
Deferred tax on pension liability	—	—	258,200
At 31 March 2015	600,000	1,244,000	(1,283,634)

The directors have noted that the company had insufficient distributable reserves in its profit and loss account when dividends totalling £80,600 were declared in July 2014 and £120,900 in March 2015. This resulted in the balance sheet showing an overdrawn profit and loss reserve of £134,110 at 31 July 2014 and £1,283,634 at 31 March 2015.

16 Consolidated Timber Holdings Limited profit and loss account

Consolidated Timber Holdings Limited has not presented its own profit and loss account as permitted by Section 408 of the Companies Act 2006. The amount of the consolidated profit for the financial period dealt within the financial statements of the holding company is a profit after tax of £177,475 (2014 – profit £407,581).

Notes to the financial statements
for the year ended 31 March 2015

17 Reconciliation of movements in shareholders' funds

	Group 2015 £	Group 2014 £	**Company 2015 £**	Company 2014 £
Profit for the financial period	**2,902,002**	2,171,682	**177,475**	407,581
Dividends paid	**(362,700)**	(241,800)	**(362,700)**	(241,800)
Retained result	**2,539,302**	1,929,882	**(185,225)**	165,781
Actuarial (loss)/gain on pension liability	**(1,291,000)**	89,000	**(1,291,000)**	89,000
Deferred tax on pension liability	**258,200**	(18,690)	**258,200**	(18,690)
Revaluation of freehold property	**—**	54,000	**—**	—
Net addition to shareholders' funds	**1,506,502**	2,054,192	**(1,218,025)**	236,091
Shareholders' funds at 1 April 2014	**12,412,184**	10,357,992	**2,584,391**	2,348,300
Shareholders' funds at 31 March 2015	**13,918,686**	12,412,184	**1,366,366**	2,584,391

18 Reconciliation of operating profit to net cash inflow from operating activities

	2015 £	2014 £
Operating profit	**4,265,131**	3,163,144
Depreciation	**476,407**	402,390
Amortisation of goodwill	**288,756**	193,916
Loss on disposal of fixed assets	**31,019**	3,208
Difference between pension charge and cash contributions made	**(480,000)**	(477,000)
Amortisation of investments	**30,000**	30,000
(Increase) in stocks	**(1,360,292)**	(2,939,889)
Decrease/(increase) in debtors	**584,785**	(4,488,195)
Increase in creditors	**344,565**	5,179,935
Net cash inflow from continuing operating activities	**4,180,371**	1,067,509

Notes to the financial statements
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19 Analysis of changes in net debt

	At 31 March 2014 £	Cashflows £	**At 31 March 2015 £**
Cash in hand and at bank	392,822	(390,442)	**2,380**
	392,822	(390,442)	**2,380**
Debt due within one year			
Bank loans and overdrafts	(153,840)	(1,644,132)	**(1,797,972)**
Other loans	(181,000)	(71,000)	**(252,000)**
Factored receivables	(15,198,342)	(3,939,993)	**(19,138,335)**
Net obligations under finance leases	(70,286)	(38,372)	**(108,658)**
	(15,603,468)	(5,693,497)	**(21,296,965)**
Debt due after more than one year			
Bank loans	(981,060)	144,876	**(836,184)**
Other loans	(362,000)	181,000	**(181,000)**
Net obligations under finance leases	(246,459)	(115,458)	**(361,917)**
	(1,589,519)	210,418	**(1,379,101)**
Net debt	(16,800,165)	(5,873,521)	**(22,673,686)**

20 Contingent liabilities

The nature of the group's activities gives rise to contingent liabilities in respect of the following:

(a) Indemnities issued in respect of deferred duty; and
(b) Forward contracts for the purchase of foreign currencies.

A first fixed charge over certain book debts and a floating charge over certain other rights and assets have been given as security to BNP Paribas Commercial Finance Limited. These charges do not extend to the debts, rights and assets of Triesse Group Ltd and its subsidiary companies which have been given as security to ABN Amro Commercial Finance Ltd.

An unlimited multilateral company guarantee has been given by the company to BNP Paribas Commercial Finance Limited, jointly with Hoffman Thornwood Limited, MBM Forest Products Limited, Compass Forest Products Limited, Falcon Panel Products Limited, Trafalgar Cases Limited, Meridian Wood Products Limited and MBM Speciality Forest Products Limited to secure all lending facilities. At 31 March 2015, the amount guaranteed by the company under this arrangement was £17,067,439 (2014 - £12,869,732). This guarantee does not include Triesse Group Ltd and its subsidiary companies.

A fixed charge has been given in favour of Barclays Bank plc over all rights, title and interest of the company in or arising out of an agreement with BNP Paribas Commercial Finance Limited and all book debts and other debts subject to such agreement. Additionally, a fixed and floating charge over all other assets has been given to Barclays Bank plc. These charges do not extend to the rights, title and interest of Triesse Group Ltd and its subsidiary companies.

Notes to the financial statements
for the year ended 31 March 2015

20 Contingent liabilities (continued)

An unlimited multilateral company guarantee has been given by the company to Barclays Bank plc, jointly with Hoffman Thornwood Limited, MBM Forest Products Limited, Compass Forest Products Limited, MBM Speciality Forest Products Limited, Falcon Panel Products Limited, Meridian Wood Products Limited and Trafalgar Cases Limited to secure all bank liabilities with each other. At 31 March 2015, the amount guaranteed by the company under this arrangement was £nil (2014 - £634,695). This guarantee does not include Triesse Group Ltd and its subsidiary companies.

A guarantee has been given by the company to Barclays Bank plc, jointly with Compass Forest Products Limited, Falcon Panel Products Limited, Hoffman Thornwood Limited, MBM Forest Products Limited, MBM Speciality Forest Products Limited and Trafalgar Cases Limited, to cover a loan given to Meridan Wood Products Limited to develop a property. At 31 March 2015 the amount guaranteed under this arrangement was £2,350,000 (2014 - £nil).

There were forward purchase foreign exchange contracts with a sterling value of £1,135,632 outstanding at 31 March 2015 (2014 - £1,673,168).

There were bills of exchange with a value of £nil discounted with recourse at 31 March 2015 (2014 - £114,529).

During the year a guarantee was provided by the company to a third party. At 31 March 2015 the amount guaranteed under this arrangement was £140,000 (2014 - £nil).

21 Capital and other financial commitments

The group and company were committed to making minimum operating lease payments as follows at 31 March 2015:

	Group 2015 £	Group 2014 £	**Company 2015 £**	Company 2014 £
Land and buildings:				
On leases expiring:				
. within one year	**1,000**	1,000	**—**	—
. between two and five years	**242,918**	688,441	**—**	99,900
. over five years	**219,500**	—	**99,900**	—
	463,418	689,441	**99,900**	99,900
Others:				
On leases expiring:				
. within one year	**61,985**	66,149	**20,421**	15,845
. between two and five years	**255,287**	201,154	**214,146**	159,477
	317,272	267,303	**234,567**	175,322

Notes to the financial statements

for the year ended 31 March 2015

22 Subsidiary and associated undertakings

All of the following companies are included in the consolidated financial statements of Consolidated Timber Holdings Limited, unless stated otherwise. They are all incorporated in Great Britain, registered in England and Wales and operate (where not dormant) in the United Kingdom.

Subsidiary and associated undertakings (wholly owned unless stated otherwise)	**Nature of activities**
MBM Forest Products Limited	Timber trading company
Compass Forest Products Limited	Timber trading company
Falcon Panel Products Limited†	Panel product distributor
Hoffman Thornwood Limited	Timber trading company
Strebord Limited	Dormant
MBM Speciality Forest Products Limited	Timber trading company
Meridian Wood Products Limited	Property investment company
Trafalgar Cases Limited	Packing cases manufacturer
Triesse Group Limited	Holding company
Triesse Holdings Limited†	Property investment company
Triesse Limited†	Timber Trading company
Triesse (Trisan) Limited†	Dormant
Ramkor International Limited (50% holding)	Panel product distributor

† Held by a subsidiary undertaking

23 Control

In the two years ended 31 March 2015, Mr M J Meyer had ultimate control of the group.

24 Related party transactions

The company has taken advantage of the exemption under Financial Reporting Standard 8 "Related Party Disclosures" not to disclose transactions with entities whose shares are 100% controlled within the group.

During the year Falcon Panel Products Limited bought services to the value of £nil (2014 – £108,266) from Ramkor International Limited, and sold goods to the value of £1,661,059 (2014 - £658,475) to Ramkor International Limited. Payments of £1,600,544 were made during the year and the balance due to Falcon Panel Products Limited at the year end was £146,024 (2014 - £85,509).

During the year the group sold goods to the value of £2,192,260 (2014- £1,163,192) to Pinewood Structures Limited ('Pinewood'). Payments of £2,382,950 (2014 - £877,228) were received from Pinewood in the year, leaving a year end balance due from Pinewood to the group of £652,575 (2014 - £843,265).

During the year the company advanced £710,873 to Pinewood, bearing interest at 5% per annum. Interest earned in the year amounted to £23,055. During the year £200,000 was repaid and the balance receivable at the year end was £533,928.

Pinewood is related to the group by virtue of Mr M J Meyer's significant influence in its parent company, Hardwood Limited, a company registered in the UK.

Notes to the financial statements
for the year ended 31 March 2015

24 Related party transactions (continued)

During the year the company advanced £1,780,092 to Hardwood Limited. During the year £700,000 was repaid and the balance receivable at the year end was £1,080,092.

Hardwood Limited is related to the group by virtue of Mr M J Meyer's significant influence in the company.

During the previous year, the company was granted a loan of £543,000 by Porthmellin Securities Limited, bearing interest at LIBOR + 3%. Interest accrued in the year amounted to £17,080 (2014 - £7,919) and the balance repayable at year end was £457,999 (£276,999 due within one year, £181,000 due within two to five years).

Porthmellin Securities Limited is related to the company by virtue of Mr M J Meyer's significant influence in the company.

During the year the following dividends were paid:

4 July 2014	First interim dividend of 10p (2014 - 15p) per ordinary share
3 October 2014	Second interim dividend of 10p (2014 - 15p) per ordinary share
22 December 2014	Third interim dividend of 10p (2014 - nil) per ordinary share
30 March 2015	Final dividend of 15p (2014 - nil) per ordinary share

The following dividends were received by directors and related parties of Consolidated Timber Holdings Ltd:

	2015	2014
	£	£
M J Meyer	**182,185**	121,478
M J P Bacon	**48,200**	32,133
M J Laughlin	**39,931**	26,621
A J Tilbury	**4,500**	3,000
A P Smith	**2,250**	1,500
D J Colman	**18,135**	6,045
S P Sabine	**2,250**	1,500
Porthmellin Securities Limited	—	4,798

At the year end there was a loan outstanding to a director of £5,220 (2014 - £3,133). This amount was interest free, unsecured and repayable on demand. The loan has been repaid in full since the year end.