

SCANPOLE BBH LIMITED

Company Registration No. 03971977 (England and Wales)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

SCANPOLE BBH LIMITED

COMPANY INFORMATION

Directors	Mr J Monni Mr A P Mononen Mr O Hulleberg
Secretary	Mr M A Cookson
Company number	03971977
Registered office	Alexandra Docks Newport Gwent NP20 2WA
Auditor	Dyke Yaxley Limited 1 Brassey Road Old Potts Way Shrewsbury Shropshire SY3 7FA

SCANPOLE BBH LIMITED

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SCANPOLE BBH LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present the strategic report for the year ended 31 December 2018.

Fair review of the business

The company business was very successful in 2018. Long term customer relationships developed very smoothly which gave a good base for developing the business in the utility sector.

We anticipate that volumes will continue to rise in respect of our daily projected sales which will also affect production and procurement. The largest share of the business remains daily sales for our annual contract customers.

Scanpole BBH will distribute dividends of £500,000 based on these results.

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the company are considered to relate to competition and future legislation relating to the Biocidal Products (preservatives) Regulations.

Competition

The company operates in a competitive market and it is recognised that there are new competitors in the market. It is important to maintain a good connection with our customers and maintain a strong relationship with them and adjust our strategy as necessary to satisfy their needs.

Future legislation relating to Biocidal Products (preservatives)

The company utilises certain wood preservative products which may be subject to future legislative changes - such legislation includes the Biocidal Products Regulation (BPR). Under the BPR wood preservatives are authorised for a period of 5 to 10 years. One of the preservatives used by the company is classed as 'products for substitution', namely creosote. The company is mitigating this risk by researching alternative wood preservatives that meet BPR criteria as well as researching alternative materials that would be acceptable to the utility sector.

Key performance indicators

Management have identified Key Performance Indicators (KPI's) that are used to drive business performance and to set targets for departments and employees throughout the business that will deliver the desired strategic goals.

The performance indicators used by management to assess performance of the company are turnover and profit on ordinary activities before taxation. The company has recognised turnover of £12,544,727 (2017: £13,613,572) and profit on ordinary activities before tax of £983,498 (2017: £2,349,441).

On behalf of the board

Mr A P Mononen

Director

15 March 2019

SCANPOLE BBH LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their annual report and financial statements for the year ended 31 December 2018.

Principal activities

The principal activity of the company continued to be that of the supply of high-quality electricity, telephone and lighting poles.

Directors

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

Mr J Monni
Mr A P Mononen
Mr O Hulleberg

Results and dividends

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

Ordinary dividends were paid amounting to £2,000,000. A dividend of £500,000 has been proposed based on these results.

Auditor

Dyke Yaxley Limited were appointed auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of disclosure to auditor

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

On behalf of the board

Mr A P Mononen
Director
15 March 2019

SCANPOLE BBH LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2018

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

SCANPOLE BBH LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER OF SCANPOLE BBH LIMITED

Opinion

We have audited the financial statements of Scanpole BBH Limited (the 'company') for the year ended 31 December 2018 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its 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 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

SCANPOLE BBH LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBER OF SCANPOLE BBH LIMITED

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

SCANPOLE BBH LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBER OF SCANPOLE BBH LIMITED

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.

Andrew Young (Senior Statutory Auditor)
for and on behalf of Dyke Yaxley Limited

1 April 2019

Chartered Accountants
Statutory Auditor

1 Brassey Road
Old Potts Way
Shrewsbury
Shropshire
SY3 7FA

SCANPOLE BBH LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2018

		2018	2017
	Notes	£	£
Turnover	3	12,544,727	13,613,572
Cost of sales		(11,484,841)	(11,483,740)
Gross profit		1,059,886	2,129,832
Administrative expenses		(574,997)	(582,529)
Operating profit	4	484,889	1,547,303
Interest receivable and similar income	6	500,000	800,000
Interest payable and similar expenses	7	(1,391)	2,138
Profit before taxation		983,498	2,349,441
Tax on profit	8	(90,199)	(271,795)
Profit for the financial year		893,299	2,077,646

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

SCANPOLE BBH LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	£	£
Profit for the year	893,299	2,077,646
Other comprehensive income	-	-
Total comprehensive income for the year	<u>893,299</u>	<u>2,077,646</u>

SCANPOLE BBH LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Investments	10	3,036,500		3,036,500	
Current assets					
Stocks	12	2,699,580		2,662,156	
Debtors	13	1,704,665		2,430,073	
Cash at bank and in hand		114		194,415	
		<u>4,404,359</u>		<u>5,286,644</u>	
Creditors: amounts falling due within one year	14	<u>(4,419,084)</u>		<u>(4,194,668)</u>	
Net current (liabilities)/assets			(14,725)		1,091,976
Total assets less current liabilities			<u>3,021,775</u>		<u>4,128,476</u>
Capital and reserves					
Called up share capital	16	21,000		21,000	
Profit and loss reserves		3,000,775		4,107,476	
Total equity			<u>3,021,775</u>		<u>4,128,476</u>

The financial statements were approved by the board of directors and authorised for issue on 15 March 2019 and are signed on its behalf by:

Mr A P Mononen
Director

Company Registration No. 03971977

SCANPOLE BBH LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2018

		Share capital	Profit and loss reserves	Total
	Notes	£	£	£
Balance at 1 January 2017		21,000	3,229,830	3,250,830
Year ended 31 December 2017:				
Profit and total comprehensive income for the year		-	2,077,646	2,077,646
Dividends	9	-	(1,200,000)	(1,200,000)
Balance at 31 December 2017		21,000	4,107,476	4,128,476
Year ended 31 December 2018:				
Profit and total comprehensive income for the year		-	893,299	893,299
Dividends	9	-	(2,000,000)	(2,000,000)
Balance at 31 December 2018		21,000	3,000,775	3,021,775

SCANPOLE BBH LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Cash generated from operations	19	406,546		728,306	
Interest paid		(1,391)		2,138	
Income taxes paid		(219,629)		(327,744)	
Net cash inflow from operating activities		185,526		402,700	
Investing activities					
Dividends received		500,000		800,000	
Net cash generated from investing activities		500,000		800,000	
Financing activities					
Dividends paid		(2,000,000)		(1,200,000)	
Net cash used in financing activities		(2,000,000)		(1,200,000)	
Net (decrease)/increase in cash and cash equivalents		(1,314,474)		2,700	
Cash and cash equivalents at beginning of year		194,415		191,715	
Cash and cash equivalents at end of year		(1,120,059)		194,415	
Relating to:					
Cash at bank and in hand		114		194,415	
Bank overdrafts included in creditors payable within one year		(1,120,173)		-	

SCANPOLE BBH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Company information

Scanpole BBH Limited is a private company limited by shares incorporated in England and Wales. The registered office is Alexandra Docks, Newport, Gwent, NP20 2WA.

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.

1.2 Going concern

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

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services 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.

1.4 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

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

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.5 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.

SCANPOLE BBH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

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.

1.6 Cash at bank and in hand

Cash at bank and in hand 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.

1.7 Financial instruments

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

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

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

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.

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 company 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.

SCANPOLE BBH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

Other financial liabilities

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 company's contractual obligations expire or are discharged or cancelled.

1.8 Equity instruments

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

1.9 Taxation

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

Current tax

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

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

1.10 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.

1.11 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 are included in the profit and loss account for the period.

SCANPOLE BBH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

2 Judgements and key sources of estimation uncertainty

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

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

3 Turnover and other revenue

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

	2018 £	2017 £
Turnover analysed by class of business		
Pole sales	12,544,727	13,613,572

	2018 £	2017 £
Other significant revenue		
Dividends received	500,000	800,000

	2018 £	2017 £
Turnover analysed by geographical market		
UK	12,544,727	13,613,572

4 Operating profit

	2018 £	2017 £
Operating profit for the year is stated after charging:		
Exchange losses	8,388	4,581
Fees payable to the company's auditor for the audit of the company's financial statements	13,175	9,000
Cost of stocks recognised as an expense	10,506,777	10,541,702

Exchange differences recognised in profit or loss during the year, except for those arising on financial instruments measured at fair value through profit or loss, amounted to £8,388 (2017 - £4,581).

SCANPOLE BBH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

5 Employees

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

	2018 Number	2017 Number
Administration	-	5

Their aggregate remuneration comprised:

	2018 £	2017 £
Wages and salaries	-	199,792

6 Interest receivable and similar income

	2018 £	2017 £
Income from fixed asset investments		
Income from shares in group undertakings	500,000	800,000

7 Interest payable and similar expenses

	2018 £	2017 £
Interest on financial liabilities measured at amortised cost:		
Interest on invoice finance arrangements	1,393	-
Other interest on financial liabilities	-	(2,138)
	1,393	(2,138)
Other finance costs:		
Other interest	(2)	-
	1,391	(2,138)

8 Taxation

	2018 £	2017 £
Current tax		
UK corporation tax on profits for the current period	91,865	270,473
Adjustments in respect of prior periods	(1,666)	1,322
Total current tax	90,199	271,795

SCANPOLE BBH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

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:

	2018 £	2017 £
Profit before taxation	983,498	2,349,441
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 20.00%)	186,865	469,888
Tax effect of utilisation of tax losses not previously recognised	-	(38,093)
Adjustments in respect of prior years	(1,666)	-
Dividend income	(95,000)	(160,000)
Taxation charge for the year	90,199	271,795

9 Dividends

	2018 £	2017 £
Final paid	2,000,000	1,200,000

The proposed final dividend for the year ended 31 December 2018 is:

	Per share £	2018 Total £	2017 Total £
Ordinary Shares	23.81	500,000	2,000,000

10 Fixed asset investments

	Notes	2018 £	2017 £
Investments in subsidiaries	11	3,036,500	3,036,500

SCANPOLE BBH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

10 Fixed asset investments (Continued)

Movements in fixed asset investments

Shares in group
undertakings

£

Cost or valuation

At 1 January 2018 & 31 December 2018

3,036,500

Carrying amount

At 31 December 2018

3,036,500

At 31 December 2017

3,036,500

11 Subsidiaries

Details of the company's subsidiaries at 31 December 2018 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Burt Boulton & Haywood Limited	UK	Sale of telegraph poles	Ordinary	100.00	

12 Stocks

	2018 £	2017 £
Finished goods and goods for resale	2,699,580	2,662,156

13 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	1,155,148	2,427,979
Amounts owed by group undertakings	549,517	2,094
	1,704,665	2,430,073

SCANPOLE BBH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

14 Creditors: amounts falling due within one year

	Notes	2018 £	2017 £
Bank loans and overdrafts	15	1,120,173	-
Trade creditors		161,026	68,029
Amounts owed to group undertakings		2,000,000	1,741,901
Corporation tax		91,865	221,295
Other taxation and social security		29,975	148,995
Other creditors		906,301	1,881,214
Accruals and deferred income		109,744	133,234
		<u>4,419,084</u>	<u>4,194,668</u>

15 Loans and overdrafts

	2018 £	2017 £
Bank overdrafts	<u>1,120,173</u>	<u>-</u>
Payable within one year	<u>1,120,173</u>	<u>-</u>

16 Share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
21,000 Ordinary Shares of £1 each	<u>21,000</u>	<u>21,000</u>
	<u>21,000</u>	<u>21,000</u>

17 Related party transactions

SCANPOLE BBH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

17 Related party transactions

(Continued)

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Sales		Purchases	
	2018	2017	2018	2017
	£	£	£	£
Entities with control, joint control or significant influence over the company	-	-	1,978,982	1,394,069
Entities over which the entity has control, joint control or significant influence	122,263	89,894	8,310,313	8,586,629
			services received	
			2018	2017
			£	£
Entities with control, joint control or significant influence over the company			144,560	154,844
Entities over which the entity has control, joint control or significant influence			396,493	429,635

18 Controlling party

The ultimate parent company is Iivari Mononen Oy which is incorporated and trading in Finland. The ultimate parent company prepares group accounts and the Registered Office is Rantakatu 25c, 80100 Joensuu, Finland.

19 Cash generated from operations

	2018	2017
	£	£
Profit for the year after tax	893,299	2,077,646
Adjustments for:		
Taxation charged	90,199	271,795
Finance costs	1,391	(2,138)
Investment income	(500,000)	(800,000)
Movements in working capital:		
(Increase) in stocks	(37,424)	(735,491)
Decrease/(increase) in debtors	725,408	(593,796)
(Decrease)/increase in creditors	(766,327)	510,290
Cash generated from operations	406,546	728,306

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.