

ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2013

FOR

HIGHLAND WOOD ENERGY LIMITED

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For The Year Ended 31 December
2013**

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HIGHLAND WOOD ENERGY LIMITED

**COMPANY INFORMATION
For The Year Ended 31 December
2013**

DIRECTOR: Bruno Leo Nello Berardelli

SECRETARY: Craig Sutherland

REGISTERED OFFICE: c/o Abacus Services
Abacus Building,
8 High Street
Oban
Argyll
PA34 4BG

REGISTERED NUMBER: SC260419 (Scotland)

ACCOUNTANTS: R A Clement Associates
5 Argyll Square
Oban
Argyll
PA34 4AZ

ABBREVIATED BALANCE SHEET
31 December
2013

		2013		2012 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	2		-		-
Tangible assets	3		895,800		619,092
			<u>895,800</u>		<u>619,092</u>
CURRENT ASSETS					
Stocks		386,766		276,201	
Debtors		1,070,246		480,771	
Investments		38,000		19,000	
Cash at bank and in hand		7,513		12,454	
		<u>1,502,525</u>		<u>788,426</u>	
CREDITORS					
Amounts falling due within one year		1,976,439		1,260,512	
NET CURRENT LIABILITIES			<u>(473,914)</u>		<u>(472,086)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			421,886		147,006
CREDITORS					
Amounts falling due after more than one year	4		(292,126)		(122,287)
PROVISIONS FOR LIABILITIES			<u>-</u>		<u>(54,495)</u>
NET ASSETS/(LIABILITIES)			<u>129,760</u>		<u>(29,776)</u>
CAPITAL AND RESERVES					
Called up share capital	5		2,000		2,000
Profit and loss account			127,760		(31,776)
SHAREHOLDERS' FUNDS			<u>129,760</u>		<u>(29,776)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2013.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2013 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and
- (a) 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of
- each financial year and of its profit or loss for each financial year in accordance with the
- (b) requirements of Sections
- 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial
- statements, so far as applicable to the company.

The notes form part of these abbreviated accounts

ABBREVIATED BALANCE SHEET - continued
31 December
2013

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the director on 5 May 2014 and were signed by:

Bruno Leo Nello Berardelli - Director

**NOTES TO THE ABBREVIATED ACCOUNTS
For The Year Ended 31 December
2013**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2010, is being amortised evenly over its estimated useful life of one years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery	- 20% on cost and 6.67% on cost
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on reducing balance

Included in Plant & Machinery are two biomass boiler installations which are used for the provision of heat to specific customers. One is at Mallaig Swimming Pool; the asset cost £151,711 and is being depreciated at a rate of 6.6% on cost. The other is in the process of being commissioned; costs incurred at 31 December 2013 were £303,641; this asset has not been depreciated in these financial statements. Depreciation will be charged at 10% on cost once the boiler is in commission.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The

capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

NOTES TO THE ABBREVIATED ACCOUNTS - continued
For The Year Ended 31 December
2013

2. INTANGIBLE FIXED ASSETS

	Total £
COST	
At 1 January 2013 and 31 December 2013	<u>1</u>
AMORTISATION	
At 1 January 2013 and 31 December 2013	<u>1</u>
NET BOOK VALUE	
At 31 December 2013	<u>-</u>
At 31 December 2012	<u>-</u>

3. TANGIBLE FIXED ASSETS

	Total £
COST	
At 1 January 2013	949,392
Additions	377,411
Disposals	<u>(44,146)</u>
At 31 December 2013	<u>1,282,657</u>
DEPRECIATION	
At 1 January 2013	330,300
Charge for year	56,557
At 31 December 2013	<u>386,857</u>
NET BOOK VALUE	
At 31 December 2013	<u>895,800</u>
At 31 December 2012	<u>619,092</u>

4. CREDITORS

Creditors include the following debts falling due in more than five years:

	2013	2012 as restated
	£	£
Repayable by instalments	<u>142,855</u>	<u>35,894</u>

5. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2013	2012 as restated
			£	£
2,000	Ordinary	£1	<u>2,000</u>	<u>2,000</u>

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
For The Year Ended 31 December
2013**

6. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The Director of the Company is also a Director of Lochaber Heat Supply Limited; this is in conjunction with his Wife who is also the sole shareholder of this company. During the year Lochaber Heat Supply purchased a biomass boiler from Highland Wood Energy at a cost of £160,000. The Director considers this sale to be at market value.

Highland Wood Energy supplies Lochaber Heat Supply with wood fuel and maintenance services; during the year the value of these transactions were £14,966.

7. HIGHLAND WOOD ENERGY EMPLOYEE BENEFITS TRUST

By resolution of the Company's board of Directors on 27 May 2012 a trust known as the Highland Wood Energy Employee Benefits Trust ("Trust") was established. The Trust is intended to be an employees' share scheme within the meaning of Section 743 of the Companies Act 1985.

The Trust has four Trustees, of which one is Bruno Berardelli, one of the Directors of Highland Wood Energy Limited.

On 27 June 2012 the Directors approved a loan facility to the Trust of up to £76,000, the terms of the loan are that it should be repaid ten years after draw down. The purpose of the loan is for the purchase of shares in the Company by the Trust. The first draw down was on 5 July 2012 for £19,000. A further £19,000 was drawn down by the Trust in July 2013. At the date of approval of these financial statements the loan balance stood at £38,000.