

Strategic Report, Report of the Directors and
Financial Statements for the Period 27 March 2014 to 31 March 2015
for
Redwood Global Limited
Previously known as Redwood Global (Wood) Limited

THURSDAY



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Redwood Global Limited (Registered number: 08961680)
Previously known as Redwood Global (Wood) Limited

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for the Period 27 March 2014 to 31 March 2015

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Redwood Global Limited
Previously known as Redwood Global (Wood) Limited

Company Information
for the Period 27 March 2014 to 31 March 2015

DIRECTORS:

R Gardner
D Ghinn

REGISTERED OFFICE:

86 Livingstone Road
Walworth Business Park
Andover
Hampshire
SP10 5NS

REGISTERED NUMBER:

08961680 (England and Wales)

AUDITORS:

Wilkins Kennedy LLP
Athenia House
10-14 Andover Road
Winchester
Hampshire
SO23 7BS

Strategic Report
for the Period 27 March 2014 to 31 March 2015

The directors present their strategic report for the period 27 March 2014 to 31 March 2015.

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

The results of the company for the period, are set out on pages 4 and 6, show a profit on ordinary activities before tax of £1,109,840. The shareholders' funds of the company total £785,603.

The performance of the company during the financial period ended 31 March 2015 has produced encouraging results. The volume of business achieved in the year ending 31 March 2016 is currently in line with directors' expectations. The company remains confident about its long-term prospects and will continue to invest in new product development throughout 2015/16 and beyond.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the business includes increased competition in the area of sale of agricultural machinery, foreign exchange risk and risk resulting from the business ability to continue to develop new products.

The company will continue to operate in similar markets. The company has a solid, diversified portfolio to navigate the market challenges and a breadth of quality employees that will help to exploit opportunities.

KEY PERFORMANCE INDICATORS

Redwood Global Limited uses a range of financial and non-financial indicators to monitor performance. The key performance indicators are: market share, revenue and profit trends, cash generation, research and development investment and other operational statistics including customer satisfaction, factory productivity, quality and health and safety.

ON BEHALF OF THE BOARD:

R Gardner - Director



3 December 2015

Report of the Directors
for the Period 27 March 2014 to 31 March 2015

The directors present their report with the financial statements of the company for the period 27 March 2014 to 31 March 2015.

INCORPORATION

The company was incorporated on 27 March 2014 and commenced trading on 1 April 2014.

The company passed a special resolution on 15 April 2014 changing its name from Redwood Global (Wood) Limited to Redwood Global Limited.

PRINCIPAL ACTIVITIES

The principal activities of the company in the period under review were those of design, manufacture, sale and hire of wood chippers and secondly the sale of forestry supplies.

DIVIDENDS

An interim dividend of 1200 per share on the Ordinary 'A' £1 shares was paid on 31 March 2015. The directors recommend that no final dividend be paid on these shares.

No interim dividend was paid on the Ordinary 'B' £1 shares. The directors recommend that no final dividend be paid on these shares.

The total distribution of dividends for the period ended 31 March 2015 will be £120,000.

RESEARCH AND DEVELOPMENT

The company has a programme of continuous investment in its product development activities. During the period, the company invested £83,257 in direct research and development expenditure.

DIRECTORS

The directors who have held office during the period from 27 March 2014 to the date of this report are as follows:

R Gardner - appointed 27 March 2014

D Ghinn - appointed 27 March 2014

Both the directors who are eligible offer themselves for election at the forthcoming first Annual General Meeting.

POLITICAL DONATIONS AND EXPENDITURE

During the period, the company made donations to charities and for charitable purposes of £21,494.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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.

Redwood Global Limited (Registered number: 08961680)
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Report of the Directors
for the Period 27 March 2014 to 31 March 2015

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each 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 company's auditors are aware of that information.

AUDITORS

Wilkins Kennedy LLP were appointed auditors to the company on 11th August 2015.

The auditors, Wilkins Kennedy LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

R Gardner - Director



3 December 2015

**Report of the Independent Auditors to the Members of
Redwood Global Limited**

We have audited the financial statements of Redwood Global Limited for the period ended 31 March 2015 on pages seven to twenty. 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 a Report of the Auditors 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 on page three, 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2015 and of its profit for the period 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 Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Report of the Independent Auditors to the Members of
Redwood Global Limited

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.

Wilkins Kennedy LLP

Ian Talbot (Senior Statutory Auditor)
for and on behalf of Wilkins Kennedy LLP
Athenia House
10-14 Andover Road
Winchester
Hampshire
SO23 7BS

3 December 2015

Redwood Global Limited (Registered number: 08961680)
Previously known as Redwood Global (Wood) Limited

Profit and Loss Account
for the Period 27 March 2014 to 31 March 2015

	Notes	£
TURNOVER	2	9,152,187
Cost of sales		<u>6,228,420</u>
GROSS PROFIT		2,923,767
Administrative expenses		<u>1,766,939</u>
		1,156,828
Other operating income		<u>18,036</u>
OPERATING PROFIT	4	1,174,864
Interest payable and similar charges	5	<u>65,024</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,109,840
Tax on profit on ordinary activities	6	<u>204,347</u>
PROFIT FOR THE FINANCIAL PERIOD		<u>905,493</u>

CONTINUING OPERATIONS

The company's activities commenced in the period.

TOTAL RECOGNISED GAINS AND LOSSES


The company has no recognised gains or losses other than the profit for the current period.

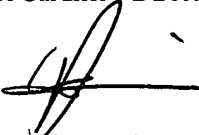
The notes form part of these financial statements

Balance Sheet
 31 March 2015

	Notes	£	£
FIXED ASSETS			
Intangible assets	8		12,643
Tangible assets	9		<u>1,602,773</u>
			1,615,416
CURRENT ASSETS			
Stocks	10	1,754,855	
Debtors	11	888,444	
Cash at bank and in hand		<u>886,249</u>	
		3,529,548	
CREDITORS			
Amounts falling due within one year	12	<u>2,572,088</u>	
NET CURRENT ASSETS			<u>957,460</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,572,876
CREDITORS			
Amounts falling due after more than one year	13		(1,750,042)
PROVISIONS FOR LIABILITIES	17		<u>(37,231)</u>
NET ASSETS			<u>785,603</u>
CAPITAL AND RESERVES			
Called up share capital	18		110
Profit and loss account	19		<u>785,493</u>
SHAREHOLDERS' FUNDS	24		<u>785,603</u>

The financial statements were approved by the Board of Directors on 3 December 2015 and were signed on its behalf by:

R Gardner - Director 


 D Ghinn - Director

The notes form part of these financial statements

Cash Flow Statement
for the Period 27 March 2014 to 31 March 2015

	Notes	£	£
Net cash inflow from operating activities	1		1,441,986
Returns on investments and servicing of finance	2		(52,867)
Taxation			(242)
Capital expenditure	2		(783,298)
Equity dividends paid			<u>(120,000)</u>
			485,579
Financing	2		<u>400,670</u>
Increase in cash in the period			<u>886,249</u>
<hr/>			
Reconciliation of net cash flow to movement in net debt	3		
Increase in cash in the period		886,249	
Cash inflow from increase in debt and lease financing		<u>(400,560)</u>	
Change in net debt resulting from cash flows			485,689
New finance leases			<u>(978,987)</u>
Movement in net debt in the period			(493,298)
Net debt at 27 March			<u>-</u>
Net debt at 31 March			<u>(493,298)</u>

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Period 27 March 2014 to 31 March 2015

1. **RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	£
Operating profit	1,174,864
Depreciation charges	172,527
Profit on disposal of fixed assets	(25,658)
Increase in stocks	(1,754,855)
Increase in debtors	(888,444)
Increase in creditors	<u>2,763,552</u>
Net cash inflow from operating activities	<u>1,441,986</u>

2. **ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	£
Returns on investments and servicing of finance	
Interest paid	(10,246)
Interest element of hire purchase payments	<u>(42,621)</u>
Net cash outflow for returns on investments and servicing of finance	<u>(52,867)</u>
 Capital expenditure	
Purchase of intangible fixed assets	(15,804)
Purchase of tangible fixed assets	(990,702)
Sale of tangible fixed assets	<u>223,208</u>
Net cash outflow for capital expenditure	<u>(783,298)</u>
 Financing	
New loans in year	782,500
Loan repayments in year	(14,115)
Capital repayments in year	(367,825)
Share issue	<u>110</u>
Net cash inflow from financing	<u>400,670</u>

Redwood Global Limited (Registered number: 08961680)
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Notes to the Cash Flow Statement
for the Period 27 March 2014 to 31 March 2015

3. ANALYSIS OF CHANGES IN NET DEBT

	At 27.03.14	Cashflow £	Other non-cash changes £	At 31.3.15 £
Net cash:				
Cash at bank and in hand	-	886,249		886,249
	-	886,249		886,249
Debt:				
Hire purchase	-	367,825	(978,987)	(611,162)
Debts falling due within one year	-	(438,826)	-	(438,826)
Debts falling due after one year	-	(329,559)	-	(329,559)
	-	(400,560)	(978,987)	(1,379,547)
Total	-	485,689	(978,987)	(493,298)

The notes form part of these financial statements

Notes to the Financial Statements
for the Period 27 March 2014 to 31 March 2015

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical convention, on the going concern basis, and in accordance with Companies Act 2006 and applicable Accounting Standards in the United Kingdom.

Turnover

Turnover which is stated net of Value Added Tax, has arisen from the following sources:-

On the sale of services and products at the date of sale.

On the hire of equipment, where revenue is recognised over the period of the hire.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2014, is being amortised evenly over its estimated useful life of five 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.

Long leasehold	- in accordance with the property
Contract Hire Stock	- at varying rates depending upon the individual machine
Plant and machinery	- 20% on cost
Fixtures and fittings	- 28% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 33% on cost

Stocks

Stocks are valued on a first in, first out basis at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stock. Finished goods includes all attributable overheads including direct labour and overheads incurred in bringing the products to their present location and condition.

Deferred tax

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

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

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 transaction. Exchange differences are taken into account in arriving at the operating result.

Notes to the Financial Statements - continued
for the Period 27 March 2014 to 31 March 2015

1. **ACCOUNTING POLICIES - continued**

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.

Warranty

Provision is made for the company's estimated liability on all machines still under warranty, including claims already received. The provision is charged against trading profits and is included within the other creditors.

2. **TURNOVER**

The turnover and profit before taxation are attributable to the principal activities of the company.

3. **STAFF COSTS**

	£
Wages and salaries	811,529
Social security costs	<u>95,962</u>
	<u>907,491</u>

The average monthly number of employees during the period was as follows:

23

4. **OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	£
Other operating leases	46,074
Depreciation - owned assets	118,726
Depreciation - assets on hire purchase contracts	50,640
Profit on disposal of fixed assets	(25,658)
Goodwill amortisation	3,161
Auditors' remuneration	8,000
Director's remuneration and other benefits etc.	<u>56,120</u>

Notes to the Financial Statements - continued
for the Period 27 March 2014 to 31 March 2015

5. **INTEREST PAYABLE AND SIMILAR CHARGES**

	£
Bank interest	928
Bank loan interest	4,562
Other Loan interest	16,913
Hire purchase	42,621
	<u>65,024</u>

6. **TAXATION**

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the period was as follows:

	£
Current tax:	
UK corporation tax	167,116
Deferred tax	<u>37,231</u>
Tax on profit on ordinary activities	<u>204,347</u>

UK corporation tax has been charged at 21%.

Factors affecting the tax charge

The tax assessed for the period is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	£
Profit on ordinary activities before tax	<u>1,109,840</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21%	233,066
Effects of:	
Expenses not deductible for tax purposes	124
Income not taxable for tax purposes	(5,388)
Capital allowances in excess of depreciation	(38,831)
Research and Development Expenditure	<u>(21,855)</u>
Current tax charge	<u>167,116</u>

7. **DIVIDENDS**

The dividend of £120,000 on the Ordinary 'A' shares of £1 each was due to the ultimate parent company (see note 22)

Notes to the Financial Statements - continued
for the Period 27 March 2014 to 31 March 2015

8. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
Additions	<u>15,804</u>
At 31 March 2015	<u>15,804</u>
AMORTISATION	
Amortisation for period	<u>3,161</u>
At 31 March 2015	<u>3,161</u>
NET BOOK VALUE	
At 31 March 2015	<u>12,643</u>

9. TANGIBLE FIXED ASSETS

	Long leasehold £	Contract Hire Stock £	Plant and machinery £
COST			
Additions	547,182	894,073	30,388
Disposals	<u>-</u>	<u>(181,558)</u>	<u>-</u>
At 31 March 2015	<u>547,182</u>	<u>712,515</u>	<u>30,388</u>
DEPRECIATION			
Charge for period	10,944	71,093	4,227
Eliminated on disposal	<u>-</u>	<u>(2,213)</u>	<u>-</u>
At 31 March 2015	<u>10,944</u>	<u>68,880</u>	<u>4,227</u>
NET BOOK VALUE			
At 31 March 2015	<u>536,238</u>	<u>643,635</u>	<u>26,161</u>

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
Additions	70,798	381,226	46,022	1,969,689
Disposals	<u>-</u>	<u>(21,574)</u>	<u>-</u>	<u>(203,132)</u>
At 31 March 2015	<u>70,798</u>	<u>359,652</u>	<u>46,022</u>	<u>1,766,557</u>
DEPRECIATION				
Charge for period	10,151	62,482	10,469	169,366
Eliminated on disposal	<u>-</u>	<u>(3,369)</u>	<u>-</u>	<u>(5,582)</u>
At 31 March 2015	<u>10,151</u>	<u>59,113</u>	<u>10,469</u>	<u>163,784</u>
NET BOOK VALUE				
At 31 March 2015	<u>60,647</u>	<u>300,539</u>	<u>35,553</u>	<u>1,602,773</u>

Notes to the Financial Statements - continued
for the Period 27 March 2014 to 31 March 2015

9. **TANGIBLE FIXED ASSETS - continued**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST	
Additions	<u>303,438</u>
At 31 March 2015	<u>303,438</u>
DEPRECIATION	
Charge for period	<u>50,640</u>
At 31 March 2015	<u>50,640</u>
NET BOOK VALUE	
At 31 March 2015	<u><u>252,798</u></u>

Certain contract hire machines are also held under hire purchase contracts

10. **STOCKS**

	£
Stocks	<u><u>1,754,855</u></u>

11. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	£
Trade debtors	777,115
Other debtors	5,000
Prepayments	<u>106,329</u>
	<u><u>888,444</u></u>

12. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	£
Bank loans and overdrafts (see note 14)	38,826
Hire purchase contracts (see note 15)	313,802
Trade creditors	952,819
Amounts owed to ultimate parent undertaking	201,304
Tax	166,874
Social security and other taxes	162,753
Other creditors	702,048
Accrued expenses	<u>33,662</u>
	<u><u>2,572,088</u></u>

Notes to the Financial Statements - continued
for the Period 27 March 2014 to 31 March 2015

13. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	£
Bank loans (see note 14)	329,559
Hire purchase contracts (see note 15)	297,360
Other creditors	123,123
Long term loan from ultimate parent undertaking	<u>1,000,000</u>
	<u><u>1,750,042</u></u>

14. **LOANS**

An analysis of the maturity of loans is given below:

	£
Amounts falling due within one year or on demand:	
Bank loans	<u>38,826</u>
Amounts falling due between two and five years:	
Bank loans - 2-5 years	<u>159,303</u>
Amounts falling due in more than five years:	
Repayable by instalments	
Bank loans more 5 yr by instalments	<u>170,256</u>

The outstanding loan is repayable by monthly instalments over a period ending 20th August 2024 with interest paid at 2.75% over Base Rate.

15. **OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS**

	£
Net obligations repayable:	
Within one year	313,802
Between one and five years	<u>297,360</u>
	<u><u>611,162</u></u>

Notes to the Financial Statements - continued
for the Period 27 March 2014 to 31 March 2015

16. SECURED DEBTS

The following secured debts are included within creditors:

		£
Other loans	400,000	
Bank loans		368,385
Hire purchase contracts		<u>611,162</u>
		<u><u>1,379,547</u></u>

The obligations under Hire Purchase Contracts are secured upon the assets to which they relate.

The company's bankers, National Westminster Bank Plc, hold a legal charge dated 16 October 2014 over leasehold property.

The directors have also provided personal guarantees for a bank overdraft.

R Gardner has given a personal guarantee in relation to a loan from Arrow County Supplies, which at the period end stood at £400,000. This loan was fully repaid after the period end.

17. PROVISIONS FOR LIABILITIES

Deferred tax	<u><u>37,231</u></u>
	Deferred tax
	£
Charge to Profit and Loss Account during period due to accelerated capital allowances	<u><u>37,231</u></u>
Balance at 31 March 2015	<u><u>37,231</u></u>

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	£
100	Ordinary 'A'	£1	100
10	Ordinary 'B'	£1	<u>10</u>
			<u><u>110</u></u>

The following shares were allotted and fully paid for cash at par during the period:

100 Ordinary 'A' shares of £1 each
10 Ordinary 'B' shares of £1 each

Notes to the Financial Statements - continued
 for the Period 27 March 2014 to 31 March 2015

18. **CALLED UP SHARE CAPITAL - continued**

Prescribed particulars of 'A' Shares:

Voting Rights - shares rank equally for voting purposes. On a show of hands each member shall have one vote and on a poll each member shall have one vote per share held.

Dividend Rights - each share ranks equally for any dividend declared.

Winding Up - each share ranks equally for any distribution of capital made on a winding up of the company.

The shares are not redeemable.

Prescribed particulars of 'B' Shares

All shares issued are non-redeemable and rank equally in terms of:

(a) voting rights - one vote for each share;

(b) rights to participate in all approved dividend distributions for that class of share; and

(c) rights to participate in any capital distribution on winding up.

19. **RESERVES**

**Profit
and loss
account
£**

Profit for the period

905,493

Dividends

(120,000)

At 31 March 2015

785,493

20. **CAPITAL COMMITMENTS**

£

Contracted but not provided for in the
financial statements

63,258

21. **OTHER FINANCIAL COMMITMENTS**

The following operating lease payments are committed to be paid within one year:-

Other operating leases due to expire between one and five years - £11,516.

22. RELATED PARTY DISCLOSURES

At the period end a sum of £1,201,304 was owed to the parent undertaking Redwood Global Holdings Limited. Of this sum £1,000,000 is not for repayment for at least a year. None of the loan carries any entitlement to interest.

During the year the parent undertaking became entitled to dividends of £120,000.

At the period end the company owes £20,163 to Mrs C Gardner and £33,000 to S A Gardner, the wife and father of R Gardner. There are no set repayment terms on these balances and cumulative interest rate of 3.5% p.a. is applied to the total outstanding amounts.

The company acquired via its parent undertaking certain net assets of both Frost Industries LLP and Redwood (Wood) Global LLP.

Frost Industries LLP which ceased to trade on 31 March 2014 and is connected to Redwood Global Holdings Limited through common directors, shareholders and members. Redwood Global Holdings Limited is also a member of Forst Industries LLP. During the period, Forst Industries LLP transferred net assets to the value of £372,527 via Redwood Global Holdings Limited to Redwood Global Limited.

Redwood Global (Wood) LLP which ceased to trade on 31 March 2014, controlling party and designated member was Frost Industries LLP. During the period, Redwood Global (Wood) LLP transferred net assets to the value of £1,004,548 via Redwood Global Holdings Limited to Redwood Global Limited.

All transfers of net assets were conducted under normal business terms at an arm's length basis.

23. ULTIMATE CONTROLLING PARTY

The controlling party is the parent company, Redwood Global Holdings Limited and the ultimate controlling party is R Gardner as he owns 51% of the shares of the Parent.

24. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	£
Profit for the financial period	905,493
Dividends	(120,000)
New share capital subscribed	<u>110</u>
Net addition to shareholders' funds	785,603
Opening shareholders' funds	<u>-</u>
Closing shareholders' funds	<u>785,603</u>
 Equity interests	 <u>785,603</u>