

The Twelfth Forestry Investment Plan  
Public Limited Company

Reports and Financial Statements  
for the financial period ended  
20 October 2015



**THE TWELFTH FORESTRY INVESTMENT PLAN PUBLIC LIMITED COMPANY**

**REPORTS AND FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 20 OCTOBER 2015**

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**THE TWELFTH FORESTRY INVESTMENT PLAN PUBLIC LIMITED COMPANY**

**DIRECTORS AND OTHER INFORMATION**

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**DIRECTORS**

Paul Brosnan MA B.Sc.  
Trevor McHugh BA B.S.

**COMPANY SECRETARY**

Paul Brosnan MA B.Sc.

**REGISTERED OFFICE**

Eblana House  
Eblana Avenue  
Dun Laoghaire  
Co. Dublin

**AUDITORS**

Deloitte  
Chartered Accountants and Statutory Audit Firm  
Deloitte & Touche House  
Earlsfort Terrace  
Dublin 2

**BANKERS**

Ulster Bank Ireland Limited  
Dun Laoghaire  
Co. Dublin

**SOLICITORS**

Lacy Walsh  
77 Strand Road  
Sandymount  
Dublin 4

**FOREST ASSET MANAGER**

I.F.S. Asset Managers Limited  
Eblana House  
Eblana Avenue  
Dun Laoghaire  
Co. Dublin

**INDEPENDENT FORESTRY CONSULTANTS**

Forest Enterprises Limited  
Chapel Hill  
Lucan  
Co. Dublin

# THE TWELFTH FORESTRY INVESTMENT PLAN PUBLIC LIMITED COMPANY

## DIRECTORS' REPORT

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The directors present their annual report together with the audited financial statements for the financial period ended 20 October 2015.

### PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The Twelfth Forestry Investment Plan Public Limited Company, launched in 2005, is a ten year investment fund. The main activity of the company is to manage and maintain the woodlands and forestry assets of the company. All lands have been planted in accordance with the Plan's forestry management plan. The company ceased trading during the financial period ended 20 October 2015.

### DEVELOPMENTS AND POST BALANCE SHEET EVENTS

Following an extensive and thorough process over a four-year period the directors of The Twelfth Forestry Investment Plan Public Limited Company can now confirm that the sale of the company's forestry portfolio to a European purchaser has recently completed. During the negotiation period the directors engaged with a number of interested parties and the final negotiated offer from the successful bidder represented the best available offer received by the directors. The directors are satisfied that they have achieved the best possible price for the forestry portfolio.

The financial period end has been extended from 31 May to 20 October to allow the audited financial statements reflect the recent sale of the company's forestry portfolio.

The directors will begin the process of an orderly wind down of the company over the coming months in keeping with the company's stated objectives. Therefore the financial statements have been prepared on the basis other than that of a going concern excluding a provision for wind up costs. This measure is merely a presentation requirement as a result of the decision to orderly wind down the company at a future date. The main presentation changes in accounts is reclassifying all fixed assets and long term creditors of the company to current assets and current liabilities. As the forestry portfolio (fixed asset) of the company was sold prior to the financial period end the departure in the basis of accounts preparation is procedural.

As part of the forthcoming wind up process a Statement of Affairs, listing the assets and liabilities of the company, will be prepared and following completion, a dividend distribution will be declared and Preference Shares will then be redeemed shortly thereafter by the company. Until such time as the Statement of Affairs is completed the directors will not be in a position to advise the level of dividend distribution however it is envisaged that this will be established no later than the beginning of December.

### RESULTS FOR THE FINANCIAL PERIOD

	<b>Period from 01/06/2014 to 20/10/2015 €</b>
Profit on ordinary activities before taxation	<b>671,058</b>
Taxation	<b>(2,379)</b>
Profit on ordinary activities after taxation	<b>668,679</b>

# THE TWELFTH FORESTRY INVESTMENT PLAN PUBLIC LIMITED COMPANY

## DIRECTORS' REPORT (CONTINUED)

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### DIRECTORS AND SECRETARY

The directors, who served at any time during the financial period except as noted, were as follows:

**Directors:**

Paul Brosnan  
Trevor McHugh

**Secretary:**

Paul Brosnan

Under the Articles of Association the directors are not required to retire by rotation.

### INTEREST IN SHARE CAPITAL

The directors and secretary of the company, who held office at 1 June 2014 and at 20 October 2015 had the following interests in the preference shares of the company:

	Number of Shares held	
	20 October 2015 No.	1 June 2014 No.
Redeemable preference shares of €1 each, fully paid:		
Paul Brosnan	1	1
Trevor McHugh	1	1
	<u>          </u>	<u>          </u>

The ordinary share capital of the company is held by I.F.S. Asset Managers Limited, which is controlled by the directors of the company.

### ACCOUNTING RECORDS

The measures that the directors have taken to secure compliance with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's registered office at Eblana House, Eblana Avenue, Dun Laoghaire, Co. Dublin.

### RISKS AND UNCERTAINTIES

During the period the main risks associated with forestry investment include fire, wind damage, public liability, disease, the future market price of timber and semi-mature forestry and adverse changes to existing tax advantages or grants. The directors continue to mitigate and where appropriate under expert advice, insure against the risks faced by the company.

Where events arise which require replanting to occur, for example due to a fire or wind throw event, there is an impact on overall performance due to loss of the forest timber growth to date of event. Although the insurance in place covers both the actual value of the standing timber based on discounted cash flows at time of event and the associated replanting costs to reconstitute the forestry stock, there would remain an impact to overall forestry fund performance. Older mid rotation forests increase in value at a higher rate, due to larger circumference annual growth, while replanted forests take time to establish and have much smaller annual circumference growth until mid-rotation is attained.

Having completed the sale of the forest portfolio the remaining risks are connected with the execution of the operational aspects of the company's wind up.

**THE TWELFTH FORESTRY INVESTMENT PLAN PUBLIC LIMITED COMPANY**

**DIRECTORS' REPORT (CONTINUED)**

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Approved by the Board and signed on its behalf by:

Paul Brosnan  
Director

Trevor McHugh  
Director

27 October 2015

## THE TWELFTH FORESTRY INVESTMENT PLAN PUBLIC LIMITED COMPANY

### DIRECTORS' RESPONSIBILITIES STATEMENT

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The directors are responsible for preparing the directors' report and the financial statements in accordance with the Companies Act 2014 and the applicable regulations.

Irish company law requires the directors to prepare financial statements for each financial period. Under the law, the directors have elected to prepare the financial statements in accordance with Accounting Standards issued by the Financial Reporting Council, and promulgated by the Institute of Chartered Accountants in Ireland for financial periods beginning before 1 January 2015 ("relevant financial reporting framework"). 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 assets, liabilities and financial position of the company as at the financial period end date and of the profit or loss of the company for the financial period and otherwise comply with the Companies Act 2014.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- 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 ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. 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.



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE TWELFTH FORESTRY INVESTMENT PLAN PUBLIC LIMITED COMPANY**

We have audited the financial statements of The Twelfth Forestry Investment Plan Public Limited Company for the financial period ended 20 October 2015 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes 1 to 15. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and Accounting Standards issued by the Financial Reporting Council, and promulgated by the Institute of Chartered Accountants in Ireland for periods beginning before 1 January 2015 ("relevant financial reporting framework").

This report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. 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 auditors' 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 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 otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with the Companies Act 2014 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 Reports and Financial Statements for the financial period ended 20 October 2015 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 assets, liabilities and financial position of the company as at 20 October 2015 and of the profit for the financial period then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014.

#### *Emphasis of matter – Financial statements prepared on a basis other than that of going concern*

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 2 to the financial statements, which explains that the financial statements have been prepared on the basis other than that of a going concern.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
THE TWELFTH FORESTRY INVESTMENT PLAN PUBLIC LIMITED COMPANY**

**Matters on which we are required to report by the Companies Act 2014**

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the directors' report is consistent with the financial statements.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

Gerard Fitzpatrick  
For and on behalf of Deloitte  
Chartered Accountants and Statutory Audit Firm  
Dublin

27 October 2015

THE TWELFTH FORESTRY INVESTMENT PLAN PUBLIC LIMITED COMPANY

PROFIT AND LOSS ACCOUNT  
FOR THE FINANCIAL PERIOD ENDED 20 OCTOBER 2015

	<i>Notes</i>	<b>Period from 01/06/2014 to 20/10/2015 €</b>	Year ended 31/05/2014 €
<b>INCOME - discontinued operations</b>	3	<b>22,478</b>	26,241
Administrative expenses – discontinued operations		<b>(59,321)</b>	(44,846)
<b>OPERATING LOSS - discontinued operations</b>		<b>(36,843)</b>	(18,605)
Interest receivable	4	<b>4,930</b>	2,637
Profit on disposal of fixed assets - discontinued operations		<b>702,971</b>	-
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	5	<b>671,058</b>	(15,968)
Taxation charge	7	<b>(2,379)</b>	(1,788)
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION</b>	13	<b>668,679</b>	(17,756)

There are no recognised gains or losses other than the profit arising from discontinued operations disclosed in the profit and loss account. There are no movements in the shareholders' funds other than the profit after taxation disclosed above.

THE TWELFTH FORESTRY INVESTMENT PLAN PUBLIC LIMITED COMPANY

BALANCE SHEET AS AT 20 OCTOBER 2015

	Notes	20/10/2015 €	31/05/2014 €
<b>Fixed Assets</b>			
Tangible assets	8	-	2,694,181
<b>Current Assets</b>			
Debtors	9	172	20,192
Cash at bank and in hand		3,452,697	438,030
		<u>3,452,869</u>	<u>458,222</u>
<b>Creditors: Amounts falling due within one year</b>	10	<b>(53,911)</b>	<b>(37,301)</b>
<b>Net current assets</b>		<u><b>3,398,958</b></u>	<u>420,921</u>
<b>Total assets less current liabilities</b>		<u><b>3,398,958</b></u>	<u>3,115,102</u>
<b>Deferred credits</b>	11	-	(384,823)
<b>NET ASSETS</b>		<u><u><b>3,398,958</b></u></u>	<u><u>2,730,279</u></u>
<b>Capital and reserves</b>			
Called up share capital presented as equity	12	13,333	13,333
Share premium account	13	2,338,545	2,338,545
Profit and loss account	13	1,047,080	378,401
<b>SHAREHOLDERS' FUNDS</b>	14	<u><u><b>3,398,958</b></u></u>	<u><u>2,730,279</u></u>

The financial statements were approved and authorised for issue by the Board of Directors on 27 October 2015 and signed on its behalf by:

Paul Brosnan  
Director

Trevor McHugh  
Director

THE TWELFTH FORESTRY INVESTMENT PLAN PUBLIC LIMITED COMPANY

CASH FLOW STATEMENT  
FOR THE FINANCIAL PERIOD ENDED 20 OCTOBER 2015

	Period from 01/06/2014 to 20/10/2015 €	Year ended 31/05/2014 €
<b>Reconciliation of operating loss to net cash inflow from operating activities</b>		
Operating loss	(36,843)	(18,605)
Decrease in debtors	20,031	108,094
Increase in creditors	21,066	24,332
<b>Net cash inflow from operating activities</b>	<u>4,254</u>	<u>113,821</u>
<b>Net cash inflow from operating activities</b>	4,254	113,821
<b>Returns on investments and servicing of finance</b>		
Interest income received	4,930	2,637
<b>Taxation</b>		
Corporation tax paid	(6,846)	(818)
<b>Capital expenditure and financial investment</b>		
Capital grants reviewed in financial period	-	32,219
Payments to acquire tangible fixed assets	(500)	(62,631)
Net receipts from disposal of forestry assets	3,012,829	-
<b>Increase in cash in the financial period/year</b>	<u>3,014,667</u>	<u>85,228</u>
<b>Reconciliation of net cash flow to movement in net funds</b>		
Increase in cash in the financial period/year	3,014,667	85,228
Net funds at 1 June 2014/1 June 2013	438,030	352,802
<b>Net funds at 20 October 2015/31 May 2014</b>	<u>3,452,697</u>	<u>438,030</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 20 OCTOBER 2015

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1. **ACCOUNTING POLICIES**

**Basis of Preparation**

The financial statements have been prepared in accordance with the Companies Act 2014 and Accounting Standards issued by the Financial Reporting Council, and promulgated by the Institute of Chartered Accountants in Ireland for financial periods beginning before 1 January 2015.

**Accounting Convention**

The financial statements are prepared on a basis other than that of a going concern. No provision has been made for the costs of wind up.

**Going Concern**

Following the sale of its forestry portfolio, the company ceased trading on 20 October 2015. The directors will begin the process of orderly wind down of the company over the coming months in keeping with the company's stated objectives. Therefore, the financial statements have been prepared on the basis other than that of a going concern excluding a provision for wind up costs. No adjustments to asset values arose as a result of this decision.

**Revenue Recognition**

Premia income receivable under Irish Government grant schemes is credited to the profit and loss account when receivable.

Revenue from the sale of timber is recognised when a contract is signed and when standing timber is being removed.

Revenue from the sale of forestry assets is recognised when a binding contract is in place. All direct costs relating to the disposal of the forestry assets are provided against sales proceeds.

**Tangible Assets**

Tangible assets represent land and forestry costs. Land costs comprise land purchase price, stamp duty, legal and professional costs, together with forest management consultancy fees incurred in the twelve month period from date of purchase of individual sites. Forestry costs comprise afforestation costs which are fully grant aided, together with enhancement costs where appropriate.

The impact of the windthrow events takes into account the proportionate cost of the standing value of the timber that was damaged or destroyed as a result of a windthrow event, the reconstitution costs together with any insurance proceeds received or receivable relating to the event. The resulting gain or loss is taken to the profit and loss account.

Land and forestry costs are not depreciated.

**Grants**

Capital grants receivable under Irish Government grant schemes are recognised when received or when their receipt can be foreseen with virtual certainty.

Forest grants in respect of afforestation costs which have been capitalised, are treated as deferred income and will be released to the profit and loss account when the related forests are clear felled.

**Forest Timber Growth**

Forest timber growth is not recognised in the financial statements.

# THE TWELFTH FORESTRY INVESTMENT PLAN PUBLIC LIMITED COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL PERIOD ENDED 20 OCTOBER 2015

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### 1. ACCOUNTING POLICIES (CONTINUED)

#### Profit/Loss on Disposal

The profit and loss on disposal of fixed assets is stated after deduction of sales costs and including the release of deferred credits.

#### Taxation

The charge for taxation is based on the result for the financial period.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events have occurred at the balance sheet date that might result in an obligation to pay more, or a right to pay less tax in the future. Deferred tax assets are recognised if it is regarded as more likely than not that they will be recovered.

### 2. GOING CONCERN

As explained in note 1, the company ceased trading on 20 October 2015. The directors will begin the process of orderly wind down of the company over the coming months in keeping with the company's stated objectives. Therefore, the financial statements have been prepared on a basis other than that of a going concern. Provision has also been made for any contractual commitments that have become onerous at the balance sheet date. The financial statements do not include any provision for the future costs of terminating the business of the company except to the extent that such costs were committed at the balance sheet date.

### 3. INCOME

	Period from 01/06/2014 to 20/10/2015 €	Year ended 31/05/2014 €
Premia income	20,978	20,944
ESB compensation	1,000	5,177
Sporting licence	500	120
	<u>22,478</u>	<u>26,241</u>

Premia income is receivable on an annual basis for the first fifteen years, from date of planting, based on the species planted.

### 4. INTEREST RECEIVABLE AND OTHER INCOME

	Period from 01/06/2014 to 20/10/2015 €	Year ended 31/05/2014 €
Deposit interest receivable	4,930	2,637

THE TWELFTH FORESTRY INVESTMENT PLAN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL PERIOD ENDED 20 OCTOBER 2015

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5. PROFIT/(LOSS) ON ORDINARY ACTIVITIES  
BEFORE TAXATION

	Period from 01/06/2014 to 20/10/2015 €	Year ended 31/05/2014 €
Profit/(loss) on ordinary activities before taxation is stated after charging:		
Management charges for ongoing administration/management/valuation	43,423	34,589
Professional fees for sale of forestry assets	46,751	-
Harvesting charges	-	-
Directors' remuneration	-	-
Auditor's remuneration	3,335	2,885
	<hr/> <hr/>	<hr/> <hr/>
Auditor's remuneration disclosure (excluding Value Added Tax):		
-Audit	3,335	2,885
-Tax advisory services	1,600	1,100
-Other assurance services	-	-
-Other non-audit services	-	-
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6. EMPLOYEES AND REMUNERATION

There were no employees during the financial period.



THE TWELFTH FORESTRY INVESTMENT PLAN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL PERIOD ENDED 20 OCTOBER 2015

<b>7.</b>	<b>TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES</b>	<b>Period from 01/06/2014 to 20/10/2015 €</b>	<b>Year ended 31/05/2014 €</b>
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**(a) Analysis of the tax charge for the financial period/year**

The tax charge on the profit/(loss) on ordinary activities for the financial period was as follows:

Corporation tax on the profit/(loss) for the financial period/year	2,500	3,247
Adjustment in respect of previous financial years	(151)	(1,459)
	2,379	1,788
	2,379	1,788

**(b) Factors affecting the tax charge for the financial period/year:**

The tax assessed for the financial period/year is higher than the standard rate of corporation tax in Ireland (12.5%). The differences are explained below:

	<b>Period from 01/06/2014 to 20/10/2015 €</b>	<b>Year ended 31/05/2014 €</b>
Profit/(loss) on ordinary activities before taxation	671,058	(15,968)
Profit/(loss) on ordinary activities multiplied by standard rate of tax in Ireland of 12.5%	(83,882)	(1,996)
<b>Effects of:</b>		
Profit/(loss) from operations of woodlands not subject to corporation tax	84,686	3,040
Interest and other income subject to a rate of tax higher than the standard rate of tax	804	1,044
Surcharge on undistributed income	892	1,159
Current tax charge for the financial period/year	2,500	3,247

**(c) Factors that may affect future tax charges**

Based on current taxation legislation no corporation tax or deferred tax arises on the operating loss, because of the exemption of profits from the occupation of woodlands from corporation tax.

THE TWELFTH FORESTRY INVESTMENT PLAN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL PERIOD ENDED 20 OCTOBER 2015

8. TANGIBLE ASSETS	Land and Forestry €
<b>Cost</b>	
At 1 June 2014	2,694,181
Additions	500
Disposal	(2,694,681)
<b>At 20 October 2015</b>	<u>-</u>
<b>Net book values</b>	
<b>At 20 October 2015</b>	<u>-</u>
At 31 May 2014	<u><u>2,694,181</u></u>

At 20 October 2015, land and forestry comprise land costs €Nil (2014: €2,343,368) and afforestation costs €Nil (2014: €350,813).

**In respect of prior financial year:**

	Land and Forestry €
<b>Cost</b>	
At 1 June 2013	2,631,550
Additions	62,631
At 31 May 2014	<u>2,694,181</u>
<b>Net book values</b>	
At 31 May 2014	<u>2,694,181</u>
At 31 May 2013	<u><u>2,631,550</u></u>

At 31 May 2014, land and forestry comprise land costs €2,343,368 (2013: €2,280,737) and afforestation costs €350,813 (2013: €350,813).

THE TWELFTH FORESTRY INVESTMENT PLAN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL PERIOD ENDED 20 OCTOBER 2015

<b>9. DEBTORS:</b> Amounts falling due within one year	<b>20/10/2015</b>	<b>31/05/2014</b>
	€	€
Trade debtors-premia income	-	13,035
Other debtors and prepayments	-	5,276
VAT	161	1,881
Corporation tax repayable	11	-
	<u>172</u>	<u>20,192</u>
	=====	=====
<b>10. CREDITORS:</b> Amounts falling due within one year	<b>20/10/2015</b>	<b>31/05/2014</b>
	€	€
Creditors and accrued expenses	53,911	32,845
Corporation tax	-	4,456
	<u>53,911</u>	<u>37,301</u>
	=====	=====
<b>11. DEFERRED CREDITS</b>	<b>20/10/2015</b>	<b>31/05/2014</b>
	€	€
Capital (Forestry) grant:		
At 1 June 2014/1 June 2013	384,823	352,604
Additions	-	32,219
Movement	(384,823)	-
<b>At 20 October 2015/31 May 2014</b>	<u>-</u>	<u>384,823</u>
	=====	=====

Forestry grants in respect of afforestation costs were capitalised and treated as deferred credits. The policy was to release the credit to the profit and loss account when the related forests were clearfelled. Now that a sale has been executed the credit has been released.

THE TWELFTH FORESTRY INVESTMENT PLAN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL PERIOD ENDED 20 OCTOBER 2015

12. SHARE CAPITAL PRESENTED AS EQUITY	20/10/2015 €	31/05/2014 €
<b>Authorised:</b>		
40,000 Ordinary shares of €1 each	<b>40,000</b>	40,000
3,333 Redeemable Preference shares of €1 each	<b>3,333</b>	3,333
	<u><b>43,333</b></u>	<u>43,333</u>
<b>Allotted, called-up and paid:</b>		
40,000 Ordinary shares of €1 each (€0.25 paid)	<b>10,000</b>	10,000
3,333 Redeemable Preference shares of €1 each (fully paid)	<b>3,333</b>	3,333
	<u><b>13,333</b></u>	<u>13,333</u>
<b>Unpaid</b>		
40,000 Ordinary shares of €1 each (€0.75 unpaid)	<b>30,000</b>	30,000
<b>Presented as follows:</b>		
Called up share capital presented as equity	<b>13,333</b>	13,333

The redeemable preference shareholders do not have any right to attend or vote at Annual General Meetings.

The redeemable preference shares are the only shares entitled to participate in the growth of the forest investment and, as such, will be the only shares to rank for dividend and to participate in the distribution of any surplus arising when the forests are sold.

Only ordinary shareholders have any voting rights and are entitled to attend and vote at Annual General Meetings.

Ordinary shares do not rank for dividend and will not participate in the final distribution of any surplus arising when the forests are sold.

Ordinary share capital is repayable at par when the forests are sold and the preference share capital is repaid.

THE TWELFTH FORESTRY INVESTMENT PLAN PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL PERIOD ENDED 20 OCTOBER 2015

13. RESERVES	Share premium €	Profit and loss €	Total €
At 1 June 2014	2,338,545	378,401	2,716,946
Profit for the financial period/year, attributable to equity shareholders	-	668,679	668,679
<b>At 20 October 2015</b>	<b><u>2,338,545</u></b>	<b><u>1,047,080</u></b>	<b><u>3,385,625</u></b>

In respect of prior financial year:

	Share premium €	Profit and loss €	Total €
At 1 June 2013	2,338,545	396,157	2,734,702
Loss for the financial period/year, attributable to equity shareholders	-	(17,756)	(17,756)
At 31 May 2014	<u>2,338,545</u>	<u>378,401</u>	<u>2,716,946</u>

14. SHAREHOLDERS' FUNDS

	20/10/2015 €	31/05/2014 €
Reconciliation of movements in shareholders' funds:		
Profit/(loss) for the financial period/year	668,679	(17,756)
Opening shareholders' funds	2,730,279	2,748,035
Closing shareholders' funds	<u>3,398,958</u>	<u>2,730,279</u>

15. RELATED PARTY TRANSACTIONS

The directors of the company are also directors of I.F.S. Asset Managers Limited with which the company had the following transactions during the financial period:

1. €34,769 (31 May 2014: €27,705) was charged to the company by I.F.S. Asset Managers Limited as forestry management charges.
2. Outlay incurred by I.F.S. Asset Managers Limited for corporate finance service associated with the disposal of the forestry portfolio of the company have been allocated to the company by I.F.S. Asset Managers Limited in the amount of €20,677.
2. €490 (31 May 2014: €850) was charged to the company by I.F.S. Asset Managers Limited for reimbursement for design, print, postage and stationery costs. €760 (31 May 2014: €2,550) is due to I.F.S Asset Managers Limited at 20 October 2015.