

**BOUGHTON LOAM & TURF MANAGEMENT LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2011**



## **BOUGHTON LOAM & TURF MANAGEMENT LIMITED**

### **COMPANY INFORMATION**

<b>Directors</b>	E Ayres S P Hedley J C C Simpson
<b>Company secretary</b>	N D Lantsbery
<b>Company number</b>	00954594
<b>Registered office</b>	The Old Piggeries Cranford Road Kettering Northamptonshire NN15 5TB
<b>Auditor</b>	PKF (UK) LLP Regent House Clinton Avenue Nottingham NG5 1AZ
<b>Bankers</b>	HSBC Bank plc 15 High Street Market Harborough Leicestershire LE16 7NN

# **BOUGHTON LOAM & TURF MANAGEMENT LIMITED**

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**BOUGHTON LOAM & TURF MANAGEMENT LIMITED**

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MARCH 2011**

The directors present their report and the financial statements for the year ended 31 March 2011

**Principal activities**

The principal activity of the company is that of the sale and distribution of top soils and agricultural and horticultural supplies

**Directors**

The directors who served during the year were

E Ayres  
S P Hedley  
J C C Simpson

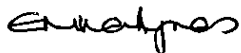
**Provision of information to auditor**

Each of the persons who are directors at the time when this directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

This report was approved by the board and signed on its behalf



**E Ayres**  
Director

Date 3 August 2011

## **BOUGHTON LOAM & TURF MANAGEMENT LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2011**

The directors are responsible for preparing the directors' 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 judgments and 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.

## **BOUGHTON LOAM & TURF MANAGEMENT LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BOUGHTON LOAM & TURF MANAGEMENT LIMITED**

We have audited the financial statements of Boughton Loam & Turf Management Limited for the year ended 31 March 2011 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to smaller entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditor**

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. 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 director's report to identify material inconsistencies with the audited financial statements. 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 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities, 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**BOUGHTON LOAM & TURF MANAGEMENT LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BOUGHTON LOAM & TURF MANAGEMENT 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, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report

*PKF (UK) LLP*

**Richard Wilson** (Senior statutory auditor)  
for and on behalf of PKF (UK) LLP, Statutory auditor  
Nottingham, UK

Date 4 August 2011

**BOUGHTON LOAM & TURF MANAGEMENT LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2011**

	<b>Note</b>	<b>2011 £</b>	<b>2010 £</b>
<b>TURNOVER</b>	<b>1,2</b>	<b>3,093,989</b>	<b>2,770,975</b>
Cost of sales		<u>(2,343,779)</u>	<u>(2,041,598)</u>
<b>GROSS PROFIT</b>		<b>750,210</b>	<b>729,377</b>
Administrative expenses		<u>(584,518)</u>	<u>(608,592)</u>
<b>OPERATING PROFIT</b>	<b>3</b>	<b>165,692</b>	<b>120,785</b>
Interest payable and similar charges		<u>(12,741)</u>	<u>(420)</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>152,951</b>	<b>120,365</b>
Tax on profit on ordinary activities	<b>5</b>	<u>(8,836)</u>	<u>(30,919)</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	<b>13</b>	<u><b>144,115</b></u>	<u><b>89,446</b></u>

The notes on pages 7 to 13 form part of these financial statements



**BOUGHTON LOAM & TURF MANAGEMENT LIMITED**  
**REGISTERED NUMBER: 00954594**

**BALANCE SHEET**  
**AS AT 31 MARCH 2011**

	Note	£	2011 £	2010 £
<b>FIXED ASSETS</b>				
Intangible assets	6		1	1
Tangible assets	7		<b>646,702</b>	755,962
			<b>646,703</b>	755,963
<b>CURRENT ASSETS</b>				
Stocks		<b>387,386</b>	243,679	
Debtors	8	<b>336,194</b>	362,508	
Cash at bank and in hand		<b>320,424</b>	155,778	
		<b>1,044,004</b>	761,965	
<b>CREDITORS</b> , amounts falling due within one year	9	<b>(493,831)</b>	(404,638)	
<b>NET CURRENT ASSETS</b>			<b>550,173</b>	357,327
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>1,196,876</b>	1,113,290
<b>CREDITORS</b> : amounts falling due after more than one year	10		<b>(21,962)</b>	(51,244)
<b>PROVISIONS FOR LIABILITIES</b>				
Deferred tax	11		<b>(16,815)</b>	(48,062)
<b>NET ASSETS</b>			<b>1,158,099</b>	1,013,984
<b>CAPITAL AND RESERVES</b>				
Called up share capital	12		<b>2,000</b>	2,000
Profit and loss account	13		<b>1,156,099</b>	1,011,984
<b>SHAREHOLDERS' FUNDS</b>			<b>1,158,099</b>	1,013,984

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved and authorised for issue by the board and were signed on its behalf by



**E Ayres**  
Director

Date 3 August 2011

The notes on pages 7 to 13 form part of these financial statements

## **BOUGHTON LOAM & TURF MANAGEMENT LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011**

#### **1. ACCOUNTING POLICIES**

##### **1.1 Basis of preparation of financial statements**

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)

##### **1.2 Turnover**

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts. Turnover is recognised when goods and services are supplied

##### **1.3 Intangible fixed assets and amortisation**

Patents are capitalised and amortised over a period of 10 years

##### **1.4 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases

Freehold land and buildings	-	25 years
Plant and machinery	-	2 - 15 years
Motor vehicles	-	2 - 5 years

##### **1.5 Leasing and hire purchase**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period

##### **1.6 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads

## BOUGHTON LOAM & TURF MANAGEMENT LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011

#### 1. ACCOUNTING POLICIES (continued)

##### 1.7 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

##### 1.8 Pensions

###### Defined contribution pension scheme

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year

###### Defined benefit pension scheme

The group operates a defined benefit pension scheme for the benefit of its employees. It is not possible to separately identify the company's share of the underlying assets and liabilities of this scheme. Consequently, contributions made by the company have been treated as contributions to a defined contribution scheme

Further details and disclosures on this group defined benefit scheme are given in note 15 to the financial statements

#### 2. TURNOVER

All turnover arose in the United Kingdom

#### 3. OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2011 £	2010 £
Depreciation of tangible fixed assets		
- owned by the company	92,077	117,234
- held under finance leases	20,532	20,532
Auditor's remuneration	3,000	2,000
Pension costs	6,651	1,990
Profit on sale of tangible fixed assets	(75,499)	(29,510)

# BOUGHTON LOAM & TURF MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011

### 4. DIRECTORS' REMUNERATION

	2011 £	2010 £
Aggregate emoluments	<u>89,268</u>	<u>89,518</u>

### 5. TAXATION

	2011 £	2010 £
<b>Analysis of tax charge in the year</b>		
<b>Current tax</b>		
Group taxation relief	<u>40,083</u>	<u>21,632</u>
<b>Deferred tax</b> (see note 11)		
Origination and reversal of timing differences	<u>(31,247)</u>	<u>9,287</u>
<b>Tax on profit on ordinary activities</b>	<u>8,836</u>	<u>30,919</u>

#### Factors that may affect future tax charges

The provision for deferred tax is calculated based on the tax rates enacted or substantially enacted at the balance sheet date. The Chancellor of the Exchequer announced in his Budget on 23 March 2011 that the rate of corporation tax of 28% will be reduced by 2 percentage points with effect from 1 April 2011 and a further 1 percentage point a year until 2014, when it will remain at 23%. At the balance sheet date the enacted future tax rate was 26%, due to the pre budget announcement on 23 March 2011 being enacted, and hence the provision for deferred tax has been calculated using this rate.

### 6. INTANGIBLE FIXED ASSETS

	Patents £
<b>Cost</b>	
At 1 April 2010 and 31 March 2011	<u>102,000</u>
<b>Amortisation</b>	
At 1 April 2010 and 31 March 2011	<u>101,999</u>
<b>Net book value</b>	
At 31 March 2011	<u>1</u>
At 31 March 2010	<u>1</u>

**BOUGHTON LOAM & TURF MANAGEMENT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2011**

**7 TANGIBLE FIXED ASSETS**

	<b>Freehold land and buildings £</b>	<b>Plant &amp; machinery £</b>	<b>Motor vehicles £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 April 2010	595,598	1,113,795	122,334	1,831,727
Additions	-	194,389	12,815	207,204
Disposals	-	(288,404)	(40,876)	(329,280)
At 31 March 2011	<u>595,598</u>	<u>1,019,780</u>	<u>94,273</u>	<u>1,709,651</u>
<b>Depreciation</b>				
At 1 April 2010	302,230	693,304	80,231	1,075,765
Charge for the year	13,191	84,501	14,917	112,609
On disposals	-	(90,823)	(34,602)	(125,425)
At 31 March 2011	<u>315,421</u>	<u>686,982</u>	<u>60,546</u>	<u>1,062,949</u>
<b>Net book value</b>				
At 31 March 2011	<u>280,177</u>	<u>332,798</u>	<u>33,727</u>	<u>646,702</u>
At 31 March 2010	<u>293,368</u>	<u>420,491</u>	<u>42,103</u>	<u>755,962</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows

	<b>2011 £</b>	<b>2010 £</b>
Plant and machinery	<u>80,426</u>	<u>100,958</u>

Included in land and buildings is freehold land at valuation of £252,962 (2010 - £252,962) which is not depreciated

**8 DEBTORS**

	<b>2011 £</b>	<b>2010 £</b>
Trade debtors	284,494	306,215
Amounts owed by group undertakings	14,741	1,705
Other debtors	36,959	54,588
	<u>336,194</u>	<u>362,508</u>

# BOUGHTON LOAM & TURF MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011

### 9. CREDITORS

#### Amounts falling due within one year

	2011 £	2010 £
Net obligations under finance leases and hire purchase contracts	29,287	29,283
Trade creditors	301,783	245,851
Amounts owed to group undertakings	130,768	92,756
Social security and other taxes	14,872	14,755
Other creditors	17,121	21,993
	<u>493,831</u>	<u>404,638</u>

Finance lease liabilities are secured on the assets concerned

### 10. CREDITORS

#### Amounts falling due after more than one year

	2011 £	2010 £
Net obligations under finance leases and hire purchase contracts	<u>21,962</u>	<u>51,244</u>

Finance lease liabilities are secured on the assets concerned

### 11. DEFERRED TAXATION

	2011 £	2010 £
At beginning of year	48,062	38,775
Movement in year	(31,247)	9,287
At end of year	<u>16,815</u>	<u>48,062</u>

The provision for deferred taxation is made up as follows

	2011 £	2010 £
Fixed asset timing differences	<u>16,815</u>	<u>48,062</u>

### 12. SHARE CAPITAL

	2011 £	2010 £
<b>Allotted, called up and fully paid</b>		
2,000 Ordinary shares of £1 each shares of £1 each	<u>2,000</u>	<u>2,000</u>

## BOUGHTON LOAM & TURF MANAGEMENT LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011

#### 13. RESERVES

	Profit and loss account £
At 1 April 2010	1,011,984
Profit for the year	144,115
	<hr/>
At 31 March 2011	1,156,099
	<hr/>

#### 14. CONTINGENT LIABILITIES

There is an unlimited multilateral guarantee with other group undertakings in respect of group borrowings which are secured by a fixed and floating charge over all the assets of the company. The amounts subject to this guarantee at 31 March 2011 was £695,509 (2010 - £NIL)

#### 15. PENSION COMMITMENTS

##### Defined contribution pension scheme

The group operates a defined contribution personal pension scheme for the benefit of its employees. The assets of the scheme are administered in an independent fund.

##### Defined benefit pension scheme

The group operates a multi-employer defined benefit pension scheme for which some of the company's employees are members of. The scheme is closed to new entrants. Accrual of pension benefits and linkage to future salary ceased on 31 March 2009.

The company's employees form only part of the multi-employer scheme operated by the parent undertaking. The allocation of the share of the underlying assets and liabilities in the scheme relating to individual subsidiaries would be extremely complex and not possible to complete on a consistent and reasonable basis. As a result the company has accounted for the scheme as a defined pension contribution scheme in accordance with the provisions of Financial Reporting Standard 17- Retirement Benefits.

The last full valuation was carried out at 6 April 2008 by a qualified actuary, and updated to 31 March 2011, also by a qualified actuary. The financial assumptions adopted are that the expected rate of return on investments would be 6.13% (2010 - 6.00%), future pension increases 3.10% (2010 - 3.60%), inflation 2.80% (2010 - 3.60%), and discount rate 5.50% (2010 - 5.50%). On the basis of these assumptions the plans financial statements to 31 March 2011 show a liability after deferred tax of £1,270,000 (2010 - £1,722,000).

The assets of the scheme are administered by trustees in an independent fund.

Further details and disclosures on this group defined benefit scheme are given in the consolidated financial statements of the company's ultimate parent undertaking, Bennie Holdings Limited.

Payments to the group defined benefit pension scheme in the year totalled £6,651 (2010 - £1,990), these amounts are included within pension costs disclosed in note 3.

## **BOUGHTON LOAM & TURF MANAGEMENT LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011**

#### **16. RELATED PARTY TRANSACTIONS**

The company is part of a group where 100% of its share capital is controlled by that group and consolidated accounts are publically available, therefore the company has taken advantage of the exemption provisions under FRS 8 Related Party Disclosures, from disclosing transactions with other group companies

#### **17. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The directors consider that the parent undertaking of this company and its controlling party by virtue of its 100% ownership of the share capital of this company is The Bennie Group Limited

The ultimate parent undertaking of this company is Bennie Holdings Limited

The ultimate controlling party of the company is Mrs E Ayres

The largest and smallest group of undertakings for which group accounts have been prepared are those of Bennie Holdings Limited