

**Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 31 May 2016
for
Senova Limited**

TUESDAY



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for the Year Ended 31 May 2016**

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Senova Limited

**Company Information
for the Year Ended 31 May 2016**

DIRECTORS:

D J Harley
J Taylor

SECRETARY:

A D H Chalmers

REGISTERED OFFICE:

49A North Road
Great Abington
Cambridge
CB1 6AS

REGISTERED NUMBER:

01584796 (England and Wales)

AUDITORS:

Campbell Dallas LLP
Chartered Accountants &
Statutory Auditors
4 Atholl Crescent
Perth
Perthshire
PH1 5NG

BANKERS:

Clydesdale Bank
64 High Street
Dunfermline
Fife
KY12 7DF

SOLICITORS:

Davidson Chalmers LLP
12 Hope Street
Edinburgh
EH2 4DB

**Strategic Report
for the Year Ended 31 May 2016**

The directors present their strategic report for the year ended 31 May 2016.

REVIEW OF BUSINESS

The directors are satisfied with the trading results of the company for the year. Despite a drop in turnover, due to less favourable market conditions, the company has remained profitable. This is mainly due to the continued strong performance of established varieties.

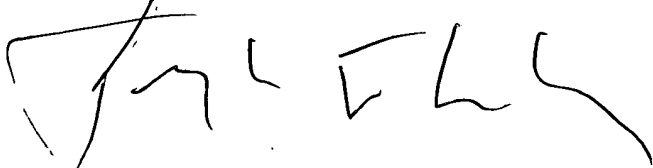
The 6.6% reduction in turnover during 2016 is reflective of the difficult market for older varieties. This has also resulted in the gross profit margin decreasing from 34.3% to 30.9%.

At the balance sheet date, the company had a strong net asset position and is considered to be financially secure.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties applicable to the business continue to be sudden changes in market sentiment through the introduction of new competitive varieties.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'D J Harley', written over a faint rectangular box.

D J Harley - Director

24 February 2017

**Report of the Directors
for the Year Ended 31 May 2016**

The directors present their report with the financial statements of the company for the year ended 31 May 2016.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the breeding, testing, introduction and marketing of agricultural seeds and related products.

DIVIDENDS

The total distribution of dividends for the year ended 31 May 2016 will be £1,502,144.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 June 2015 to the date of this report.

D J Harley
J Taylor

Other changes in directors holding office are as follows:

C Green - resigned 31 October 2015

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

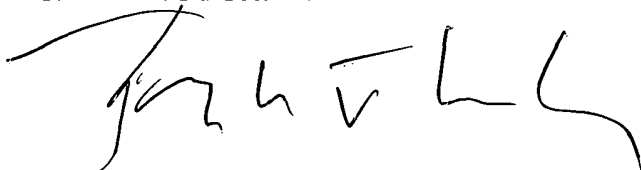
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Report of the Directors
for the Year Ended 31 May 2016**

AUDITORS

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

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'D J Harley', written over the text 'ON BEHALF OF THE BOARD:'.

D J Harley - Director

24 February 2017

Report of the Independent Auditors to the Members of Senova Limited

We have audited the financial statements of Senova Limited for the year ended 31 May 2016 on pages seven to twenty two. 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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.

Basis for qualified opinion on financial statements

Investment Property is included in the financial statements within Freehold Property at historic cost. This treatment does not comply with FRS 102 which requires investment properties to be included at fair value.

Qualified opinion on financial statements arising from disagreement over accounting treatment.

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion paragraph, the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 May 2016 and of its profit for the year then ended; and the financial statements have been properly prepared in accordance with 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
Senova 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.



Alan Taylor (Senior Statutory Auditor)
for and on behalf of Campbell Dallas LLP
Chartered Accountants &
Statutory Auditors
4 Atholl Crescent
Perth
Perthshire
PH1 5NG

24 February 2017

**Income Statement
for the Year Ended 31 May 2016**

	Notes	2016 £	2015 £
TURNOVER		7,120,255	7,619,328
Cost of sales		4,928,689	5,004,922
GROSS PROFIT		2,191,566	2,614,406
Administrative expenses		658,175	885,141
		1,533,391	1,729,265
Other operating income		43,418	39,045
OPERATING PROFIT	6	1,576,809	1,768,310
Interest payable and similar expenses	7	-	4,613
PROFIT BEFORE TAXATION		1,576,809	1,763,697
Tax on profit	8	-	-
PROFIT FOR THE FINANCIAL YEAR		1,576,809	1,763,697

The notes form part of these financial statements

**Other Comprehensive Income
for the Year Ended 31 May 2016**

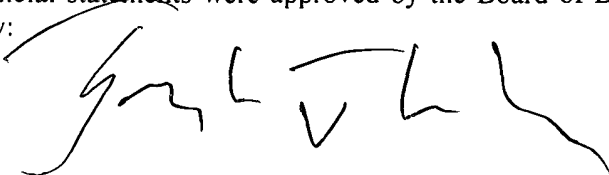
	Notes	2016 £	2015 £
PROFIT FOR THE YEAR		1,576,809	1,763,697
OTHER COMPREHENSIVE INCOME			
Unrealised deficit on revaluation		-	(101,732)
Income tax relating to other comprehensive income		-	-
		<u> </u>	<u> </u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		-	(101,732)
		<u> </u>	<u> </u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>1,576,809</u>	<u>1,661,965</u>

The notes form part of these financial statements

Balance Sheet
31 May 2016

	Notes	2016 £	2015 £
FIXED ASSETS			
Tangible assets	10	713,121	723,200
Investments	11	500	-
		<u>713,621</u>	<u>723,200</u>
CURRENT ASSETS			
Stocks	12	107,463	210,528
Debtors	13	6,240,740	6,445,146
Cash in hand		2	34
		<u>6,348,205</u>	<u>6,655,708</u>
CREDITORS			
Amounts falling due within one year	14	<u>3,122,040</u>	<u>3,513,787</u>
NET CURRENT ASSETS		<u>3,226,165</u>	<u>3,141,921</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>3,939,786</u></u>	<u><u>3,865,121</u></u>
CAPITAL AND RESERVES			
Called up share capital	17	3,430,826	3,430,826
Revaluation reserve	18	52,867	52,867
Retained earnings	18	456,093	381,428
SHAREHOLDERS' FUNDS		<u><u>3,939,786</u></u>	<u><u>3,865,121</u></u>

The financial statements were approved by the Board of Directors on 24 February 2017 and were signed on its behalf by:



D J Harley - Director

**Statement of Changes in Equity
for the Year Ended 31 May 2016**

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 June 2014	3,430,826	119,875	154,599	3,705,300
Changes in equity				
Dividends	-	(1,502,144)	-	(1,502,144)
Total comprehensive income	-	1,763,697	(101,732)	1,661,965
Balance at 31 May 2015	<u>3,430,826</u>	<u>381,428</u>	<u>52,867</u>	<u>3,865,121</u>
Changes in equity				
Dividends	-	(1,502,144)	-	(1,502,144)
Total comprehensive income	-	1,576,809	-	1,576,809
Balance at 31 May 2016	<u><u>3,430,826</u></u>	<u><u>456,093</u></u>	<u><u>52,867</u></u>	<u><u>3,939,786</u></u>

The notes form part of these financial statements

**Cash Flow Statement
for the Year Ended 31 May 2016**

		2016 £	2015 £
	Notes		
Cash flows from operating activities			
Cash generated from operations	1	898,172	2,447,702
Interest paid		-	(4,613)
Tax paid		(50,000)	60,310
Net cash from operating activities		<u>848,172</u>	<u>2,503,399</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(50,728)	(68,255)
Purchase of fixed asset investments		(500)	-
Sale of tangible fixed assets		-	22,130
Net cash from investing activities		<u>(51,228)</u>	<u>(46,125)</u>
Cash flows from financing activities			
Movement in group balances		423,311	(20,310)
Equity dividends paid		(1,502,144)	(1,502,144)
Net cash from financing activities		<u>(1,078,833)</u>	<u>(1,522,454)</u>
(Decrease)/increase in cash and cash equivalents		<u>(281,889)</u>	<u>934,820</u>
Cash and cash equivalents at beginning of year	2	<u>(74,772)</u>	<u>(1,009,592)</u>
Cash and cash equivalents at end of year	2	<u><u>(356,661)</u></u>	<u><u>(74,772)</u></u>

The notes form part of these financial statements

**Notes to the Cash Flow Statement
for the Year Ended 31 May 2016**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2016 £	2015 £
Profit before taxation	1,576,809	1,763,697
Depreciation charges	60,806	61,540
Profit on disposal of fixed assets	-	(15,601)
Finance costs	-	4,613
	<u>1,637,615</u>	<u>1,814,249</u>
Decrease in stocks	103,065	83,685
Increase in trade and other debtors	(236,155)	(216,779)
(Decrease)/increase in trade and other creditors	(606,353)	766,547
	<u>898,172</u>	<u>2,447,702</u>
Cash generated from operations	<u>898,172</u>	<u>2,447,702</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 May 2016

	31.5.16 £	1.6.15 £
Cash and cash equivalents	2	34
Bank overdrafts	(356,663)	(74,806)
	<u>(356,661)</u>	<u>(74,772)</u>

Year ended 31 May 2015

	31.5.15 £	1.6.14 £
Cash and cash equivalents	34	59
Bank overdrafts	(74,806)	(1,009,651)
	<u>(74,772)</u>	<u>(1,009,592)</u>

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 May 2016**

1. STATUTORY INFORMATION

Senova Limited is a private company, limited by shares, registered in England. The company's registered number and registered office address can be found on the Company Information page.

The financial statements are presented in Sterling (£). Monetary amounts in these financial statements are rounded to the nearest £.

2. STATUTORY INFORMATION

Senova Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

3. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

4. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention.

Significant judgements and estimates

The preparation of Financial Statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and assumptions are reviewed on an ongoing basis and revisions to estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The directors are of the opinion there are no matters of significant judgement and estimation which are material to the financial statements.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced in respect of cereals, wheat and pulses during the year, exclusive of Value Added Tax.

Turnover includes royalties receivable from third parties in respect of sales which are included on an accruals basis.

Tangible fixed assets

Depreciation is calculated so as to write off the cost of an asset, less estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	2 %	Straight line
Plant & Machinery	10-15 %	Straight line
Motor Vehicles	25 %	Straight line
Equipment	15 %	Straight line

Stocks

Stock is valued at the lower of cost and net realisable value.

Notes to the Financial Statements - continued
for the Year Ended 31 May 2016

4. **ACCOUNTING POLICIES - continued**

Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated. Deferred tax assets are only 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. Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

With the exception of changes arising on the initial recognition of a business combination, the tax expense is presented either in profit or loss, other comprehensive income or equity depending on the transaction that resulted in the tax expense.

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors.

Research and development

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

Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit.

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.

Pension costs

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. The assets of the scheme are held separately from those of the company in an independently administered fund.

Operating lease agreements

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged against profits on a straight line basis over the period of the lease.

5. **EMPLOYEES AND DIRECTORS**

	2016	2015
	£	£
Wages and salaries	335,988	337,861
Social security costs	41,615	43,986
Other pension costs	61,168	70,685
	<u>438,771</u>	<u>452,532</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2016

5. **EMPLOYEES AND DIRECTORS - continued**

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

	2016	2015
Production staff	4	4
Administrative staff	1	1
Management staff	1	1
	<u>6</u>	<u>6</u>

	2016 £	2015 £
Directors' remuneration	87,434	118,834
Directors' pension contributions to money purchase schemes	<u>34,413</u>	<u>35,366</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>1</u>	<u>1</u>
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6. **OPERATING PROFIT**

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

	2016 £	2015 £
Depreciation - owned assets	60,807	61,540
Profit on disposal of fixed assets	-	(15,601)
Auditors' remuneration	<u>7,160</u>	<u>5,223</u>

7. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	2016 £	2015 £
Interest on other loans	<u>-</u>	<u>4,613</u>

8. **TAXATION**

Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 31 May 2016 nor for the year ended 31 May 2015.

Tax effects relating to effects of other comprehensive income

There were no tax effects for the year ended 31 May 2016.

Notes to the Financial Statements - continued
for the Year Ended 31 May 2016

8. TAXATION - continued

	Gross £	2015 Tax £	Net £
Unrealised deficit on revaluation	(101,732)	-	(101,732)
	<u>(101,732)</u>	<u>-</u>	<u>(101,732)</u>

9. DIVIDENDS

	2016 £	2015 £
Ordinary shares of £1 each		
Final	<u>1,502,144</u>	<u>1,502,144</u>

10. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 June 2015	550,000	212,403	69,148	112,196	943,747
Additions	-	50,728	-	-	50,728
	<u>550,000</u>	<u>263,131</u>	<u>69,148</u>	<u>112,196</u>	<u>994,475</u>
At 31 May 2016	550,000	263,131	69,148	112,196	994,475
DEPRECIATION					
At 1 June 2015	-	103,142	66,942	50,463	220,547
Charge for year	8,334	28,486	1,673	22,314	60,807
	<u>8,334</u>	<u>131,628</u>	<u>68,615</u>	<u>72,777</u>	<u>281,354</u>
At 31 May 2016	8,334	131,628	68,615	72,777	281,354
NET BOOK VALUE					
At 31 May 2016	<u>541,666</u>	<u>131,503</u>	<u>533</u>	<u>39,419</u>	<u>713,121</u>
At 31 May 2015	<u>550,000</u>	<u>109,261</u>	<u>2,206</u>	<u>61,733</u>	<u>723,200</u>

Freehold land and buildings includes £200,000 as the market value of land that is not depreciated.

Notes to the Financial Statements - continued
for the Year Ended 31 May 2016

11. INVESTMENTS

	Interest in joint venture £
COST	
Additions	500
At 31 May 2016	500
NET BOOK VALUE	
At 31 May 2016	500

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Joint venture

UK Pulses Ltd

Registered office: 49 North Road, Great Abington, Cambridge, CB21 6AS

Nature of business: Pulse breeder

	% holding
Class of shares:	
Ordinary	50.00

	2016 £
Aggregate capital and reserves	1,000

12. STOCKS

	2016 £	2015 £
Finished goods	107,463	210,528

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade debtors	689,706	906,955
Amounts owed by group undertakings	4,792,840	5,283,401
Other debtors	588,817	124,394
Tax	160,000	110,000
Prepayments and accrued income	9,377	20,396
	6,240,740	6,445,146

Notes to the Financial Statements - continued
for the Year Ended 31 May 2016

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

	2016	2015
	£	£
Bank loans and overdrafts (see note 15)	356,663	74,806
Trade creditors	1,641,154	2,341,175
Amounts owed to group undertakings	1,255	68,506
VAT	112,792	63,106
Accruals and deferred income	1,010,176	966,194
	<u>3,122,040</u>	<u>3,513,787</u>

15. **LOANS**

An analysis of the maturity of loans is given below:

	2016	2015
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>356,663</u>	<u>74,806</u>

16. **SECURED DEBTS**

The following secured debts are included within creditors:

	2016	2015
	£	£
Bank overdrafts	<u>356,663</u>	<u>74,806</u>

The bank overdraft is secured by a debenture in favour of Clydesdale Bank PLC over the company's assets.

17. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016	2015
			£	£
1,925,826	Ordinary	£1	1,925,826	1,925,826
1,505,000	Preference	£1	1,505,000	1,505,000
			<u>3,430,826</u>	<u>3,430,826</u>

The redeemable preference shares shall be redeemed at the option of the company, decided upon by the ordinary shareholders, advised by the directors, at a general meeting.

Notes to the Financial Statements - continued
for the Year Ended 31 May 2016

18. RESERVES

	Retained earnings £	Revaluation reserve £	Totals £
At 1 June 2015	381,428	52,867	434,295
Profit for the year	1,576,809		1,576,809
Dividends	(1,502,144)		(1,502,144)
At 31 May 2016	<u>456,093</u>	<u>52,867</u>	<u>508,960</u>

19. ULTIMATE PARENT COMPANY

The ultimate parent undertaking is Alexander Harley Seeds Limited, a company registered in Scotland.

20. CONTINGENT LIABILITIES

A contingent liability arises in respect of the group overdraft facility for which a cross guarantee is in place between all of the Alexander Harley Seeds Limited group companies without limit, supported by standard securities over the group's properties at East Carn Gour and Scooniehill, St Andrews, Blairfield in Milnathort and Easter Balgedie Farm in Kinross. The group overdrafts at 31 May 2016 amounted to £3,242,696 (2015 - £1,408,789).

21. RELATED PARTY DISCLOSURES

The company has taken advantage of the exemption within FRS102 for group companies, and discloses only those transactions with subsidiaries that are less than 100% owned by the holding company.

During the year net payments of £46,123 (2015 - £68,176) were made to a related party in respect of consultancy fees and expenses. The related party was controlled by a director of this company until his resignation on 31 October 2015.

During the year, a total of key management personnel compensation of £147,401 was paid.

22. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Douglas J Harley by virtue of his controlling interest in Alexander Harley Seeds Limited, the ultimate parent undertaking.

23. FIRST YEAR ADOPTION

The company transitioned from UK GAAP to FRS 102 as at 1 June 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance has been provided on pages 20 to 22.

Transitional relief

On transition to FRS 102, the company has taken advantage of the following transitional relief:

- to use a previous GAAP revaluation as deemed cost on an item of property, plant and equipment.

Reconciliation of Equity

1 June 2014

(Date of Transition to FRS 102)

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets		824,746	-	824,746
CURRENT ASSETS				
Stocks		294,213	-	294,213
Debtors		6,195,231	-	6,195,231
Prepayments and accrued income		11,496	-	11,496
Cash in hand		59	-	59
		6,500,999	-	6,500,999
CREDITORS				
Amounts falling due within one year		(3,620,445)	-	(3,620,445)
NET CURRENT ASSETS		2,880,554	-	2,880,554
TOTAL ASSETS LESS CURRENT LIABILITIES		3,705,300	-	3,705,300
NET ASSETS		3,705,300	-	3,705,300
CAPITAL AND RESERVES				
Called up share capital		3,430,826	-	3,430,826
Revaluation reserve		154,599	-	154,599
Retained earnings		119,875	-	119,875
SHAREHOLDERS' FUNDS		3,705,300	-	3,705,300

The notes form part of these financial statements

Reconciliation of Equity - continued
31 May 2015

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets		723,200	-	723,200
CURRENT ASSETS				
Stocks		210,528	-	210,528
Debtors		6,445,146	-	6,445,146
Cash in hand		34	-	34
		6,655,708	-	6,655,708
CREDITORS				
Amounts falling due within one year		(3,513,787)	-	(3,513,787)
NET CURRENT ASSETS		3,141,921	-	3,141,921
TOTAL ASSETS LESS CURRENT LIABILITIES		3,865,121	-	3,865,121
NET ASSETS		3,865,121	-	3,865,121
CAPITAL AND RESERVES				
Called up share capital		3,430,826	-	3,430,826
Revaluation reserve		52,867	-	52,867
Retained earnings		381,428	-	381,428
SHAREHOLDERS' FUNDS		3,865,121	-	3,865,121

The notes form part of these financial statements

**Reconciliation of Profit
for the Year Ended 31 May 2015**

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
TURNOVER	7,619,328	-	7,619,328
Cost of sales	(5,004,922)	-	(5,004,922)
GROSS PROFIT	2,614,406	-	2,614,406
Administrative expenses	(885,141)	-	(885,141)
Other operating income	39,045	-	39,045
OPERATING PROFIT	1,768,310	-	1,768,310
Interest payable and similar expenses	(4,613)	-	(4,613)
PROFIT BEFORE TAXATION	1,763,697	-	1,763,697
Tax on profit	-	-	-
PROFIT FOR THE FINANCIAL YEAR	1,763,697	-	1,763,697

The notes form part of these financial statements