Registered number: 04357353

Apollo Gardening Limited

Directors' Report and Financial Statements

For the Year Ended 30 September 2019

DAINS
ACCOUNTANTS

Apollo Gardening Limited

Company Information

Directors	B Leary J Whelan
Company secretary	B Leary
Registered number	04357353
Registered office	Apollo House Neepsend Lane Sheffield South Yorkshire S3 8AU
Independent auditors	Dains LLP 15 Colmore Row Birmingham B3 2BH

Apollo Gardening Limited

Contents

Group Strategic Report
For the Year Ended 30 September 2019

Introduction

The Directors present their report and the consolidated financial statements for the year ended 30 September 2019.

On 25 September 2019, the company acquired a direct subsidiary, Manor Reproductions Limited, and an indirect subsidiary, Danesfield Limited. The consolidated financial statements incorporate the business combinations from the date control was obtained. The comparative year shows only the results of the company. The acquisition has given the group a strategic advantage in mitigating the exposures it had from seasonal trade and the group have already been able to take advantage of the some of the cost savings with the amalgamation of the businesses.

The principal activity of the group was that of garden accessories and other home furnishings. The principal activity of the company continues to be that of the sale of garden accessories.

Business review

The company has successfully maintained its income levels within a difficult climate and continues to focus on maintaining its margins. Further results of the business is given within the directors report.

Principal risks and uncertainties

As a group we regularly monitor and update our strategy in relation to managing risk and as we grow, our business, our risk environment becomes more complex. It is vital that we effectively, evaluate, manage and mitigate risks we face and that we continue to evolve. Recent events, such as COVID-19 and the planned departure of the European Union have and continue to be assessed in terms of the impact this may have on our business and the sector in which we operate.

The company will continue to trade as a going concern. We continue to work hard to spread our risk with customers and products and will continue to take steps to minimise risk wherever possible.

The key business risks and uncertainties affecting the company are considered to relate to commodity price risk and the supply of raw materials. The company works closely with customers and suppliers to monitor sales and purchase prices.

Financial key performance indicators

The Directors consider turnover, gross profit and net profit to be the key performance indicators of the business.

This report was approved by the board on 26 June 2020 and signed on its behalf.

B Leary
Director

The Directors present their report and the financial statements for the year ended 30 September 2019.

Results and dividends

The profit for the year, after taxation, amounted to £52,733 (2018 - loss £95,559).

No dividends were paid or proposed during the year.

Directors

The Directors who served during the year were:

B Leary
J Whelan

Directors' responsibilities statement

The Directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 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'. 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments 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 Group 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 the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Post balance sheet events and future developments

Following the year end the subsidiaries hived up their trade and assets to the parent company for commercial reasons and the group is now looking to expand the markets within which the subsidiaries operated and to be able to further our strategy of becoming a group less reliant on seasonal activity.

Disclosure of information to auditors

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

Auditors

The auditors, Dains LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 26 June 2020 and signed on its behalf.

B Leary
Director

Opinion

We have audited the financial statements of Apollo Gardening Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 30 September 2019, which comprise the Group Profit and Loss Account, the Group Statement of Comprehensive Income, the Group and Company Balance Sheets, the Group Statement of Cash Flows, the Group and Company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 30 September 2019 and of the Group's profit for the year 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement on page 2, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the Company's members 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 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 for our audit work, for this report, or for the opinions we have formed.

Julian Townsend ACA FCCA (Senior Statutory Auditor)

for and on behalf of
Dains LLP

Statutory Auditor

Chartered Accountants

Birmingham

26 June 2020

Consolidated Profit and Loss Account
For the Year Ended 30 September 2019

	Note	2019 £	2018 £
Turnover	4	**12,131,698**	12,255,735
Cost of sales		**(8,789,501)**	(8,924,705)
Gross profit		**3,342,197**	3,331,030
Distribution costs		**(706,839)**	(741,498)
Administrative expenses		**(2,492,755)**	(2,590,791)
Operating profit/(loss)	5	**142,603**	(1,259)
Interest payable and similar expenses	9	**(89,870)**	(94,300)
Profit/(loss) before tax		**52,733**	(95,559)
Tax on profit/(loss)	10	**-**	-
Profit/(loss) for the year		**52,733**	(95,559)
Profit/(loss) for the year attributable to:			
Owners of the parent		**52,733**	(95,559)
		52,733	(95,559)

The notes on pages 14 to 32 form part of these financial statements.

Consolidated Statement of Comprehensive Income
For the Year Ended 30 September 2019

	2019 £	2018 £
Profit/(loss) for the financial year	**52,733**	(95,559)
Total comprehensive income for the year	**52,733**	(95,559)
Profit/(loss) for the year attributable to:		
Owners of the parent Company	**52,733**	(95,559)
	52,733	(95,559)
Total comprehensive income attributable to:		
Owners of the parent Company	**52,733**	(95,559)
	52,733	(95,559)

The notes on pages 14 to 32 form part of these financial statements.

Apollo Gardening Limited
Registered number:04357353

Consolidated Balance Sheet
As at 30 September 2019

	Note		2019 £		2018 £
Fixed assets					
Intangible assets	11		(218,449)		-
Tangible assets	12		381,625		324,504
			163,176		324,504
Current assets					
Stocks	14	3,889,999		2,605,184	
Debtors: amounts falling due within one year	15	2,952,188		2,345,178	
Cash at bank and in hand	16	90,505		46,678	
		6,932,692		4,997,040	
Creditors: amounts falling due within one year	17	(5,254,143)		(3,669,534)	
Net current assets			1,678,549		1,327,506
Total assets less current liabilities			1,841,725		1,652,010
Creditors: amounts falling due after more than one year	18		(131,962)		-
Provisions for liabilities					
Deferred tax	21		(5,020)		-
Net assets			1,704,743		1,652,010
Capital and reserves					
Called up share capital	22		1,400,000		1,400,000
Profit and loss account	23		304,743		252,010
			1,704,743		1,652,010

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 June 2020.

B Leary
Director

The notes on pages 14 to 32 form part of these financial statements.

Apollo Gardening Limited
Registered number:04357353

Company Balance Sheet
As at 30 September 2019

	Note		2019 £		2018 £
Fixed assets					
Tangible assets	12		**351,690**		324,504
Investments	13		**212,792**		-
			564,482		324,504
Current assets					
Stocks	14	**3,451,695**		2,605,184	
Debtors: amounts falling due within one year	15	**2,431,206**		2,345,178	
Cash at bank and in hand	16	**39,246**		46,678	
		5,922,147		4,997,040	
Creditors: amounts falling due within one year	17	**(4,649,924)**		(3,669,534)	
Net current assets			**1,272,223**		1,327,506
Total assets less current liabilities			**1,836,705**		1,652,010
Creditors: amounts falling due after more than one year	18		**(131,962)**		-
Net assets excluding pension asset			**1,704,743**		1,652,010
Net assets			**1,704,743**		1,652,010
Capital and reserves					
Called up share capital	22		**1,400,000**		1,400,000
Profit and loss account brought forward		**252,010**		347,569	
Profit/(loss) for the year		**52,733**		(95,559)	
Profit and loss account carried forward			**304,743**		252,010
			1,704,743		1,652,010

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 June 2020.

B Leary
Director

The notes on pages 14 to 32 form part of these financial statements.

Consolidated Statement of Changes in Equity
For the Year Ended 30 September 2019

	Called up share capital	Profit and loss account	Equity attributable to owners of parent Company	Total equity
	£	£	£	£
At 1 October 2018	1,400,000	252,010	1,652,010	1,652,010
Comprehensive income for the year				
Profit for the year	-	52,733	52,733	52,733
At 30 September 2019	1,400,000	304,743	1,704,743	1,704,743

Consolidated Statement of Changes in Equity
For the Year Ended 30 September 2018

	Called up share capital	Profit and loss account	Equity attributable to owners of parent Company	Total equity
	£	£	£	£
At 1 October 2017	1,400,000	347,569	1,747,569	1,747,569
Comprehensive income for the year				
Loss for the year	-	(95,559)	(95,559)	(95,559)
At 30 September 2018	1,400,000	252,010	1,652,010	1,652,010

The notes on pages 14 to 32 form part of these financial statements.

Company Statement of Changes in Equity
For the Year Ended 30 September 2019

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 October 2018	1,400,000	252,010	1,652,010
Comprehensive income for the year			
Profit for the year	-	52,733	52,733
At 30 September 2019	1,400,000	304,743	1,704,743

Company Statement of Changes in Equity
For the Year Ended 30 September 2018

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 October 2017	1,400,000	347,569	1,747,569
Comprehensive income for the year			
Loss for the year	-	(95,559)	(95,559)
At 30 September 2018	1,400,000	252,010	1,652,010

The notes on pages 14 to 32 form part of these financial statements.

Consolidated Statement of Cash Flows
For the Year Ended 30 September 2019

	2019 £	2018 £
Cash flows from operating activities		
Profit/(loss) for the financial year	**52,733**	(95,559)
Adjustments for:		
Depreciation of tangible assets	**172,048**	194,824
Interest paid	**89,870**	94,300
(Increase)/decrease in stocks	**(846,511)**	1,121,448
Decrease in debtors	**65,172**	441,370
Increase/(decrease) in creditors	**181,271**	(883,002)
Net cash generated from operating activities	**(285,417)**	873,381
Cash flows from investing activities		
Net cash inflow on purchase of subsidiary undertakings	**(161,533)**	-
Purchase of tangible fixed assets	**(199,235)**	(50,585)
Net cash from investing activities	**(360,768)**	(50,585)
Cash flows from financing activities		
Other new loans	**205,158**	-
Movements on invoice discounting	**574,724**	(763,389)
Interest paid	**(89,870)**	(94,300)
Net cash used in financing activities	**690,012**	(857,689)
Net increase/(decrease) in cash and cash equivalents	**43,827**	(34,893)
Cash and cash equivalents at beginning of year	**46,678**	81,571
Cash and cash equivalents at the end of year	**90,505**	46,678
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	**90,505**	46,678

The notes on pages 14 to 32 form part of these financial statements.

1. General information

Apollo Gardening Limited is a private company limited by shares and registered in England and Wales under the Companies Act. The address of the registered office is given on the Company Information page. The nature of the company's operations and its principal activities are set out in the Strategic Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Profit and Loss Account in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Profit and Loss Account from the date on which control is obtained. They are deconsolidated from the date control ceases.

2.3 Going concern

The group's business activities, together with the factors likely to affect its future development, performance and position are set out in the business review and directors report. The financial position of the group, its cash flows, liquidity position and borrowing facilities are described in the strategic report, directors report and throughout the notes to the financial statements. As highlighted in these sections, the group meets its day-to-day working capital requirements through the mixture of short and long term debt, such as bank balances, loans and invoice discounting facilities along with trade and other receivables. The group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the group should be able to operate within the level of its current facilities and as a consequence the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus, the directors continue to adopt the going concern basis for preparation of these financial statements.

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.5 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated Profit and Loss Account over its useful economic life.

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	-	12% straight line
Motor vehicles	-	20% straight line
Fixtures and fittings	-	20% straight line
Computer equipment	-	33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2. Accounting policies (continued)

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.8 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted averagebasis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.11 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2. Accounting policies (continued)

2.12 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.13 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated Profit and Loss Account within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.14 Finance costs

Finance costs are charged to the Consolidated profit or loss account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.15 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

2.16 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

2. Accounting policies (continued)

2.17 Borrowing costs

All borrowing costs are recognised in the Consolidated profit or loss account in the year in which they are incurred.

2.18 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.19 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the group's accounting policies which are described in note 2, the directors are required to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results in the future could differ from those estimates. In this regard, the Directors believe that the critical accounting policies where judgements or estimating are necessarily applied are summarised below.

Stock provision

Management is required to exercise judgement in estimating the slow moving stock provision which takes into account the ageing of stock, its likelihood of being sold or being used in the future and its estimated resale value.

Depreciation and residual values

The directors have reviewed the asset lives and associated residual values of all fixed asset classes, and in particular plant and machinery, and have concluded that asset lives and residual values are appropriate.

Bad debt provision

The company makes as estimate of the recoverable value of trade debtors. When assessing impairment of trade debtors management consider factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

Carrying value of investments

Determining whether investments are impaired requires a comparison of the carrying values in the financial statements to the reported net assets at the balance sheet date together with a consideration of future expected finanical performance. An impairment charge is made if the net assets are less than the carrying value of the assets and there is no reasonably foreseeable reversal of these circumstances.

Rebates

Customer rebates, supplier incentives, rebates and other discount arrangements entered in to usually include amounts spanning multiple products over different time periods. Where agreements span a financial period-end, estimations are required and judgement may also need to be applied to determine the rebate level earned as agreements may involve multiple tiers. In order to minimise any risk arising from estimation, confirmations are obtained, where possible, to agree the value to be recognised at year end. The accrued value at the reporting date is included in trade receivables, which is as a result of the right of setoff the group has with its customers

4. Turnover

The whole of the turnover is attributable to the principal activity of the Group.

Analysis of turnover by country of destination:

	2019 £	2018 £
United Kingdom	**11,972,870**	12,255,735
Rest of Europe	**158,828**	-
	12,131,698	12,255,735

5. Operating profit/(loss)

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

	2019	2018
	£	£
Depreciation of tangible fixed assets	**172,048**	194,824
Exchange differences	**213,160**	(188,052)
Other operating lease rentals	**304,867**	305,660
Defined contribution pension cost	**42,922**	17,910

6. Auditors' remuneration

	2019	2018
	£	£
Fees payable to the Group's auditor for the audit of the Group's annual financial statements	**7,500**	7,500

Fees payable to the Group's auditor in respect of:

	2019	2018
Taxation compliance services	**1,300**	1,300
All other services	**8,000**	-

7. Employees

Staff costs, including Directors' remuneration, were as follows:

	Group 2019	Group 2018	Company 2019	Company 2018
	£	£	£	£
Wages and salaries	**875,517**	822,347	**875,517**	822,347
Social security costs	**94,450**	85,458	**94,450**	85,458
Cost of defined contribution scheme	**42,922**	17,910	**42,922**	17,910
	1,012,889	925,715	**1,012,889**	925,715

The average monthly number of employees, including directors, during the year was 47 (2018 - 27).

8. Directors' remuneration

	2019	2018
	£	£
Directors' emoluments	**204,739**	155,274

During the year retirement benefits were accruing to no directors (2018 - Nil) in respect of defined contribution pension schemes.

The highest paid Director received remuneration of £129,882 (2018 - £81,136).

9. Interest payable and similar expenses

	2019	2018
	£	£
Other interest payable on invoice discounting	**89,870**	94,300

10. Taxation

	2019	2018
	£	£
Total current tax	**-**	-
Deferred tax		
Total deferred tax	**-**	-
Taxation on profit on ordinary activities	**-**	-

10. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2018 - higher than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019	2018
	£	£
Profit/(loss) on ordinary activities before tax	**52,733**	(95,559)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	**10,019**	(18,156)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	**3,782**	2,476
Capital allowances for year in excess of depreciation	**138**	137
Adjust opening and closing deferred tax to average rate	**(1,467)**	1,636
Deferred tax not recognised	**(12,472)**	13,907
Total tax charge for the year	**-**	-

Factors that may affect future tax charges

There were no factors that affect future tax charges.

11. Intangible assets

Group

	Goodwill
	£
Cost	
Additions	**(218,449)**
At 30 September 2019	**(218,449)**
Net book value	
At 30 September 2019	**(218,449)**
At 30 September 2018	-

12. Tangible fixed assets

Group

	Leasehold improvements	Plant and machinery	Motor vehicles	Fixtures and fittings	Total
	£	£	£	£	£
Cost or valuation					
At 1 October 2018	-	317,681	11,992	634,847	964,520
Additions	-	61,776	-	137,459	199,235
Acquisition of subsidiary	79,143	-	-	175,038	254,181
At 30 September 2019	79,143	379,457	11,992	947,344	1,417,936
Depreciation					
At 1 October 2018	-	210,800	4,564	424,652	640,016
Charge for the year on owned assets	-	23,613	2,400	146,036	172,049
Acquisition of subsidiary	78,568	-	-	145,678	224,246
At 30 September 2019	78,568	234,413	6,964	716,366	1,036,311
Net book value					
At 30 September 2019	575	145,044	5,028	230,978	381,625
At 30 September 2018	-	106,881	7,428	210,195	324,504

12. Tangible fixed assets (continued)

Company

	Plant and machinery	Motor vehicles	Fixtures and fittings	Total
	£	£	£	£
Cost or valuation				
At 1 October 2018	317,681	11,992	634,847	964,520
Additions	61,776	-	137,459	199,235
At 30 September 2019	379,457	11,992	772,306	1,163,755
Depreciation				
At 1 October 2018	210,800	4,564	424,652	640,016
Charge for the year on owned assets	23,613	2,400	146,036	172,049
At 30 September 2019	234,413	6,964	570,688	812,065
Net book value				
At 30 September 2019	145,044	5,028	201,618	351,690
At 30 September 2018	106,881	7,428	210,195	324,504

13. Fixed asset investments

Company

	Investments in subsidiary companies
	£
Cost	
Additions	**212,792**
At 30 September 2019	**212,792**

Direct subsidiary undertaking

The following was a direct subsidiary undertaking of the Company:

Name	Registered office	Class of shares	Holding
Manor Reproductions Limited	Apollo House, Neepsend Lane, Sheffield, South Yorkshire, S3 8AU	Ordinary	100%

Indirect subsidiary undertaking

The following was an indirect subsidiary undertaking of the Company:

Name	Registered office	Class of shares	Holding
Danesfield Limited	Apollo House, Neepsend Lane, Sheffield, South Yorkshire, S3 8AU	Ordinary	100%

14. Stocks

	Group 2019	Group 2018	Company 2019	Company 2018
	£	£	£	£
Finished goods and goods for resale	**3,889,999**	2,605,184	**3,451,695**	2,605,184

Stock recognised in cost of sales during the year as an expense was £7,744,730 (2018 - £8,544,050).

15. Debtors

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Trade debtors	**2,238,034**	1,649,051	**1,739,820**	1,649,051
Other debtors	**685,323**	669,317	**664,689**	669,317
Prepayments and accrued income	**28,831**	26,810	**26,697**	26,810
	2,952,188	2,345,178	**2,431,206**	2,345,178

16. Cash and cash equivalents

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Cash at bank and in hand	**90,505**	46,678	**39,246**	46,678

17. Creditors: Amounts falling due within one year

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Other loans	**73,196**	-	**73,196**	-
Trade creditors	**3,874,493**	3,174,939	**3,694,782**	3,174,939
Other taxation and social security	**35,406**	180,649	**18,008**	180,649
Invoice discounting facility	**1,143,783**	194,875	**769,599**	194,875
Other creditors	**27,334**	-	-	-
Accruals and deferred income	**99,931**	119,071	**94,339**	119,071
	5,254,143	3,669,534	**4,649,924**	3,669,534

The invoice discounting facility totalling £1,143,783 (2018 - £194,875) are secured by a fixed and floating charge on the assets of the Group.

18. Creditors: Amounts falling due after more than one year

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Other loans	**131,962**	-	**131,962**	-

19. Loans

During the year the Group received a loan from one of its suppliers. This is to be paid over two years from January 2020. There is no interest on the loan.

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Amounts falling due within one year				
Other loans	**73,196**	-	**73,196**	-
Amounts falling due 1-2 years				
Other loans	**131,962**	-	**131,962**	-
	205,158	-	**205,158**	-

20. Financial instruments

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Financial assets				
Financial assets measured at undiscounted amounts recievable	**3,013,862**	2,365,046	**2,443,755**	2,365,046
Financial liabilities				
Financial liabilities measured at undiscounted amounts payable	**4,001,758**	3,294,010	**3,789,121**	3,294,010
Financial liabilities measured at amortised cost	**1,348,941**	194,875	**974,757**	194,875
	5,350,699	3,488,885	**4,763,878**	3,488,885

Financial assets measured at undiscounted amounts receivable comprise cash held at bank, trade and other debtors.

Financial liabilities measured at undiscounted amounts payable comprise trade creditors, other creditors and accruals.

Financial liabilities measured at amortised cost comprise other loans and invoice discounting facilities.

21. Deferred taxation

Group

	2019
	£
Arising on acquisition of subsidiary	(5,020)
At end of year	(5,020)

The deferred taxation balance is made up as follows:

	Group 2019	Group 2018
	£	£
Accelerated capital allowances	(5,020)	-
	(5,020)	-

22. Share capital

	2019	2018
	£	£
Allotted, called up and fully paid		
1,400,000 (2018 - 1,400,000) Ordinary shares of £1 each	**1,400,000**	1,400,000

23. Reserves

Profit and loss account

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

24. Business combinations

On 25 September 2019 the company acquired a 100% shareholding in Manor Reproductions Limited and its subsidiary Danesfield Limited.

Recognised amounts of identifiable assets acquired and liabilities assumed

	Book value	Fair value
	£	£
Tangible	29,935	29,935
	29,935	29,935
Stocks	438,304	438,304
Debtors	731,272	731,272
Cash at bank and in hand	51,259	51,259
Total assets	1,250,770	1,250,770
Due within one year	(814,509)	(814,509)
Deferred tax	(5,020)	(5,020)
Total identifiable net assets	431,241	431,241
Goodwill		(218,449)
Total purchase consideration		212,792

Consideration

	£
Cash	190,183
Directly attributable costs	22,609
Total purchase consideration	212,792

24. Business combinations (continued)

Cash outflow on acquisition

	£
Purchase consideration settled in cash, as above	**190,183**
Directly attributable costs	**22,609**
	212,792
Less: Cash and cash equivalents acquired	**(51,259)**
Net cash outflow on acquisition	**161,533**

25. Pension commitments

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £42,922 (2018 - £17,910). Contributions totalling £Nil (2018 - £Nil) were payable to the fund at the balance sheet date.

26. Commitments under operating leases

At 30 September 2019 the Group had future minimum lease payments under non-cancellable operating leases as follows:

Group	**2019** **£**	**2018** **£**
Not later than 1 year	**283,984**	304,867
Later than 1 year and not later than 5 years	**535,843**	744,172
	819,827	1,049,039

27. Other financial commitments

At the balance sheet date the Group had entered into forward contracts to purchase USD 400,000 in November and December 2019 for a total of £324,226 (2018 - USD 500,000 for £283,906).

28. Related party transactions

The company has taken advantage of the exemption conferred by section 33 of Financial Reporting Standard 102 not to disclose transactions with Manor Reproductions Limited and Danesfield Limited, on the grounds that 100% of the voting rights in the company are controlled by Apollo Gardening Limited and the company's results are included in the group's consolidated financial statements, which are publicly available.

29. Controlling party

The ultimate controlling party is J Whelan by virtue of his majoirity shareholding.