

Company Registration No. 03888676 (England and Wales)

EARLSWOOD NURSERIES LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019
PAGES FOR FILING WITH REGISTRAR

EARLSWOOD NURSERIES LTD

COMPANY INFORMATION

Directors	Mr S Alexander Ms K Peach Mr D G Robinson Mr S Talbot Mr S R White Mr D J White Mr B R Sheridan	(Appointed 1 March 2020)
Secretary	Mr D J White	
Company number	03888676	
Registered office	Forshaw Heath Road Earlswood Solihull West Midlands B94 5JU	
Accountants	Ormerod Rutter Limited The Oakley Kidderminster Road Droitwich Worcestershire WR9 9AY	
Bankers	Santander UK Plc Bridle Road Bootle Merseyside L30 4GB	

EARLSWOOD NURSERIES LTD

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EARLSWOOD NURSERIES LTD

ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF EARLSWOOD NURSERIES LTD FOR THE YEAR ENDED 31 DECEMBER 2019

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Earlswood Nurseries Ltd for the year ended 31 December 2019 which comprise, the balance sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Earlswood Nurseries Ltd, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Earlswood Nurseries Ltd and state those matters that we have agreed to state to the Board of Directors of Earlswood Nurseries Ltd, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Earlswood Nurseries Ltd and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Earlswood Nurseries Ltd has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Earlswood Nurseries Ltd. You consider that Earlswood Nurseries Ltd is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Earlswood Nurseries Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Ormerod Rutter Limited

24 August 2020

Chartered Accountants

The Oakley
Kidderminster Road
Droitwich
Worcestershire
WR9 9AY

EARLSWOOD NURSERIES LTD

BALANCE SHEET

AS AT 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	3		1,708,235		1,733,066
Current assets					
Stocks		892,682		658,319	
Debtors	4	256,177		283,414	
Cash at bank and in hand		189,956		172,853	
		<u>1,338,815</u>		<u>1,114,586</u>	
Creditors: amounts falling due within one year	5	<u>(1,110,496)</u>		<u>(839,068)</u>	
Net current assets			228,319		275,518
Total assets less current liabilities			<u>1,936,554</u>		<u>2,008,584</u>
Creditors: amounts falling due after more than one year	6		(89,934)		(154,669)
Provisions for liabilities			<u>(118,581)</u>		<u>(133,811)</u>
Net assets			<u>1,728,039</u>		<u>1,720,104</u>
Capital and reserves					
Called up share capital	9		2		2
Other reserves	10		490,851		501,888
Profit and loss reserves			<u>1,237,186</u>		<u>1,218,214</u>
Total equity			<u>1,728,039</u>		<u>1,720,104</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

EARLSWOOD NURSERIES LTD

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2019

The financial statements were approved by the board of directors and authorised for issue on 24 August 2020 and are signed on its behalf by:

Ms K Peach

Director

Company Registration No. 03888676

EARLSWOOD NURSERIES LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Company information

Earlswood Nurseries Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Forshaw Heath Road, Earlswood, Solihull, West Midlands, B94 5JU.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods provided in the normal course of business, and is shown net of VAT. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rental income is received on a straight line basis over the period of the lease.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold buildings	2% straight line
Plant and machinery	10% on reducing balance
Fixtures and fittings	33% on reducing balance
Motor vehicles	25% on reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

EARLSWOOD NURSERIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.5 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.6 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.7 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

EARLSWOOD NURSERIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.8 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 48 (2018 - 42).

3 Tangible fixed assets

	Leasehold buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 January 2019	1,317,880	375,129	100,008	403,838	2,196,855
Additions	1,679	-	12,121	78,660	92,460
At 31 December 2019	1,319,559	375,129	112,129	482,498	2,289,315
Depreciation and impairment					
At 1 January 2019	26,358	167,063	71,045	199,323	463,789
Depreciation charged in the year	26,369	20,807	12,624	57,491	117,291
At 31 December 2019	52,727	187,870	83,669	256,814	581,080
Carrying amount					
At 31 December 2019	1,266,832	187,259	28,460	225,684	1,708,235
At 31 December 2018	1,291,522	208,066	28,963	204,515	1,733,066

EARLSWOOD NURSERIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

3 Tangible fixed assets

(Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2019 £	2018 £
Plant and machinery	73,031	81,145
Motor vehicles	153,002	160,836
	<u>226,033</u>	<u>241,981</u>

4 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	242,255	243,609
Corporation tax recoverable	-	15,342
Other debtors	13,922	24,463
	<u>256,177</u>	<u>283,414</u>

5 Creditors: amounts falling due within one year

	2019 £	2018 £
Bank loans and overdrafts	33,734	39,835
Trade creditors	467,380	504,284
Amounts owed to group undertakings	367,651	54,677
Corporation tax	70,823	74,142
Other taxation and social security	27,094	17,426
Other creditors	143,814	148,704
	<u>1,110,496</u>	<u>839,068</u>

6 Creditors: amounts falling due after more than one year

	2019 £	2018 £
Bank loans and overdrafts	-	38,408
Other creditors	89,934	116,261
	<u>89,934</u>	<u>154,669</u>

EARLSWOOD NURSERIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

7 Secured debts

The following secured debts are included within creditors:

	2019 £	2018 £
Hire purchase contracts	146,039	179,670
Bank loans	33,734	78,243
	<u>179,773</u>	<u>257,913</u>

The bank loans are secured by way of a fixed and floating charge over the undertaking and all property and assets together with a legal charge securing monies due or becoming due from the company by two directors.

Hire purchase contracts are secured on the assets to which they relate to.

8 Provisions for liabilities

	2019 £	2018 £
Deferred tax liabilities	118,581	133,811
	<u>118,581</u>	<u>133,811</u>

9 Called up share capital

	2019 £	2018 £
Ordinary share capital		
Issued and fully paid		
2,765 Ordinary A of 0.0001p each	0.28	0.28
5,200 Ordinary B of 0.0001p each	0.52	0.52
2,767 Ordinary C of £0.0001p each	0.28	0.28
5,200 Ordinary D of £0.0001p each	0.52	0.52
1,017 Ordinary E of £0.0001p each	0.10	0.10
1,017 Ordinary F of £0.0001p each	0.10	0.10
1,017 Ordinary G of £0.0001p each	0.10	0.10
1,017 Ordinary H of £0.0001p each	0.10	0.10
	<u>2</u>	<u>2</u>

10 Revaluation reserve

	2019 £	2018 £
At the beginning of the year	501,888	512,925
Other movements	(11,037)	(11,037)
	<u>490,851</u>	<u>501,888</u>

EARLSWOOD NURSERIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

11 Related party transactions

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

12 Control

Ultimate parent company

The ultimate parent company is Earlswood Holdings Limited, a company registered in England and Wales.

Ultimate controlling party

There is no ultimate controlling party.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.