

Registered number: 00416607

Rowlinson Garden Products Limited

**Annual Report
and Financial Statements**

For the year ended 30 April 2017

CLB COOPERS
Audit Services

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ROWLINSON GARDEN PRODUCTS LIMITED

Company Information

Directors	R J Rowlinson C D Firth M J Lightfoot
Company secretary	W St J Kiernan
Registered number	00416607
Registered office	Group offices Green Lane Wardle Nantwich Cheshire CW5 6BN
Independent auditor	CLB Coopers Audit Services Ship Canal House 98 King Street Manchester M2 4WU

ROWLINSON GARDEN PRODUCTS LIMITED

Contents

	Page
Strategic report	1
Directors' report	2 - 3
Independent auditor's report	4 - 5
Statement of income and retained earnings (including a profit and loss account)	6
Balance sheet	7
Notes to the financial statements	8 - 21

ROWLINSON GARDEN PRODUCTS LIMITED

Strategic report For the year ended 30 April 2017

Introduction

The principal activity of the Company during the year was the manufacture and merchanting of timber garden products.

Business review

The Company's results are consolidated into Rowlinson Consolidated Limited. A detailed strategic report is provided in the consolidated financial statements.

Financial risk management objectives and policies

The Company holds various financial instruments such as trade debtors and trade creditors which arise directly from the Company's operations.

Transactions in financial instruments result in the Company assuming or transferring to another party one or more of the financial risks described below.

Liquidity risk

The Company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the Company has sufficient liquid resources to meet the operating needs of the business.

Interest rate risk

The Company is exposed to fair value interest rate risk on its fixed rate borrowings and cash flow interest rate risk on bank overdrafts and loans.

Credit risk

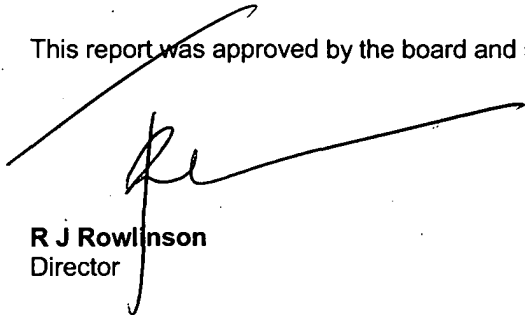
Investments of cash surpluses and borrowings are made through banks and companies which must fulfil credit rating criteria approved by the board.

All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are reviewed on a regular basis and provision is made for doubtful debts when necessary.

Currency risk

The Company's principal foreign currency exposures arise from trading with overseas companies. The Company policy permits but does not demand that these exposures may be hedged in order to fix the cost in Sterling.

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



R J Rowlinson
Director

Date: 26 October 2017

ROWLINSON GARDEN PRODUCTS LIMITED

Directors' report For the year ended 30 April 2017

The directors present their report and the financial statements for the year ended 30 April 2017.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £116,918 (2016: £197,955).

The directors have recommended a dividend of £nil (2016: £140,692).

Directors

The directors who served during the year were:

R J Rowlinson
C D Firth
M J Lightfoot

ROWLINSON GARDEN PRODUCTS LIMITED

**Directors' report (continued)
For the year ended 30 April 2017**

Disclosure of information to auditor

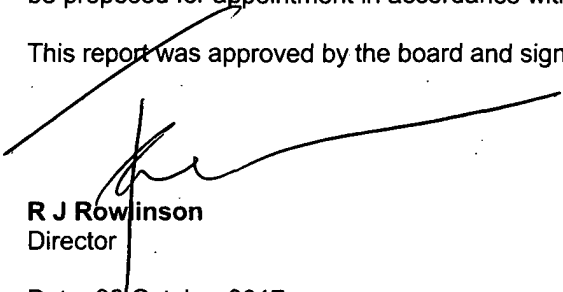
Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is 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's auditor is aware of that information.

Auditor

The auditor, CLB Coopers, tendered its resignation and was replaced by CLB Coopers Audit Services, who will be proposed for appointment in accordance with section 485 of the Companies Act 2006.

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



R J Rowlinson
Director

Date: 26 October 2017

ROWLINSON GARDEN PRODUCTS LIMITED

Independent auditor's report to the shareholder of Rowlinson Garden Products Limited

We have audited the financial statements of Rowlinson Garden Products Limited for the year ended 30 April 2017, set out on pages 6 to 21. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2006 and the 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 shareholder 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 shareholder those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholder for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the directors' responsibilities statement 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. 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 Financial Reporting Council'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 directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 April 2017 and of its 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.

ROWLINSON GARDEN PRODUCTS LIMITED

Independent auditor's report to the shareholder of Rowlinson Garden Products Limited (continued)

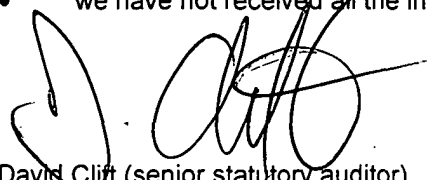
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with those accounts. In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors Report.

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.



David Clift (senior statutory auditor)

for and on behalf of
CLB Coopers Audit Services

Statutory Auditors

Ship Canal House
98 King Street
Manchester
M2 4WU

26 October 2017

ROWLINSON GARDEN PRODUCTS LIMITED

Statement of income and retained earnings (including a profit and loss account) For the year ended 30 April 2017

	Note	2017 £	2016 £
Turnover	4	14,808,148	14,198,540
Cost of sales		(12,512,046)	(11,885,940)
Gross profit		2,296,102	2,312,600
Distribution costs		(594,571)	(675,230)
Administrative expenses		(1,463,780)	(1,373,710)
Operating profit	5	237,751	263,660
Amounts written off investments		-	(21,216)
Interest payable and expenses	8	(79,566)	(45,866)
Profit before tax		158,185	196,578
Tax on profit	9	(41,267)	1,377
Profit after tax		116,918	197,955
Retained earnings at the beginning of the year		2,416,390	2,359,127
		2,416,390	2,359,127
Profit for the year		116,918	197,955
Dividends declared and paid		-	(140,692)
Retained earnings at the end of the year		2,533,308	2,416,390

There were no recognised gains and losses for 2017 or 2016 other than those included in the statement of income and retained earnings (including a profit and loss account).

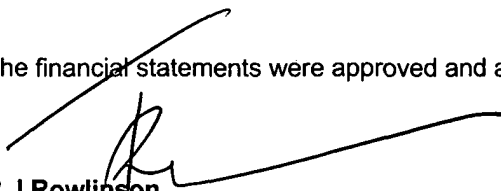
The notes on pages 8 to 21 form part of these financial statements.

ROWLINSON GARDEN PRODUCTS LIMITED
Registered number:00416607

Balance sheet
As at 30 April 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	11	1,639,847	1,584,865
Current assets			
Stocks	13	4,229,631	3,980,409
Debtors: amounts falling due within one year	14	3,946,875	5,231,901
Cash at bank and in hand	15	197,267	142,864
		<u>8,373,773</u>	<u>9,355,174</u>
Creditors: amounts falling due within one year	16	(4,902,017)	(6,853,000)
Net current assets		<u>3,471,756</u>	<u>2,502,174</u>
Total assets less current liabilities		<u>5,111,603</u>	<u>4,087,039</u>
Creditors: amounts falling due after more than one year	17	(2,537,577)	(1,650,649)
Provisions for liabilities			
Deferred tax	18	(20,718)	-
		<u>(20,718)</u>	<u>-</u>
Net assets		<u><u>2,553,308</u></u>	<u><u>2,436,390</u></u>
Capital and reserves			
Called up share capital	19	20,000	20,000
Profit and loss account		2,533,308	2,416,390
		<u><u>2,553,308</u></u>	<u><u>2,436,390</u></u>

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


R J Rowlinson
Director

Date: 26 October 2017

The notes on pages 8 to 21 form part of these financial statements.

ROWLINSON GARDEN PRODUCTS LIMITED

Notes to the financial statements For the year ended 30 April 2017

1. General information

Rowlinson Garden Products Limited is a private limited company incorporated in England and Wales.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention 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 management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Reduced disclosure

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, whereby a parent company statement of cash flows is not included as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29; and
- the requirements of Section 33 Related Party Disclosure paragraph 33.7.

This information is included in the consolidated financial statements of Rowlinson Consolidated Limited as at 30 April 2016 and these financial statements may be obtained from the Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.

2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

Sale of goods

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

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company 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.

ROWLINSON GARDEN PRODUCTS LIMITED

Notes to the financial statements For the year ended 30 April 2017

2. Accounting policies (continued)

2.4 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.

Land is not depreciated. Depreciation on other assets 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:

Freehold property	- 2.5% straight line
Plant and machinery	- 5-10% straight line
Motor vehicles	- 25% 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 the profit and loss account.

2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.6 Stocks

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

2.7 Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

2.8 Debtors

Short term debtors are measured at transaction price.

2.9 Cash

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

ROWLINSON GARDEN PRODUCTS LIMITED

Notes to the financial statements For the year ended 30 April 2017

2. Accounting policies (continued)

2.10 Financial instruments

The Company enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

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 payables or receivables, 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 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.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

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.

2.11 Creditors

Short term creditors are measured at 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.

2.12 Foreign currency translation

Functional and presentational currency

The Company's functional and presentational currency is Sterling.

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.

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 the profit and loss account.

ROWLINSON GARDEN PRODUCTS LIMITED

Notes to the financial statements For the year ended 30 April 2017

2. Accounting policies (continued)

2.13 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.14 Operating leases

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

2.15 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the statement of income and retained earnings 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 Company in independently administered funds.

2.16 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, 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 operates and generates 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.17 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

ROWLINSON GARDEN PRODUCTS LIMITED

Notes to the financial statements For the year ended 30 April 2017

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

Provision for doubtful debts

The directors have reviewed the trading balances owing to the Company from its customers and made adequate provision for any debts where it is considered probable that the amount will not be recovered. The amounts would have otherwise been recognised in trade debtors.

Provision for slow moving stock

The directors have applied their knowledge of the operations of the business when reviewing the stock listing at the balance sheet date, and have made appropriate provision for any items deemed to be slow moving or obsolete. The charge to the statement of income and retained earnings is recognised in cost of sales.

4. Turnover

The turnover and profit before tax are attributable to the one principal activity of the Company.

Analysis of turnover by country of destination:

	2017 £	2016 £
United Kingdom	14,334,306	13,955,097
Rest of Europe	158,942	-
Rest of the world	314,900	243,443
	<u>14,808,148</u>	<u>14,198,540</u>

5. Operating profit

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

	2017 £	2016 £
Depreciation of tangible fixed assets	101,749	83,290
Auditor's remuneration	13,142	11,677
Exchange differences	29,253	(4,916)
Defined contribution pension cost	31,971	29,780
	<u>176,115</u>	<u>129,831</u>

ROWLINSON GARDEN PRODUCTS LIMITED

Notes to the financial statements For the year ended 30 April 2017

6. Employees

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

	2017 £	2016 £
Wages and salaries	1,619,107	1,621,151
Social security costs	135,221	127,935
Defined contribution pension cost	31,971	29,780
	<u>1,786,299</u>	<u>1,778,866</u>

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

	2017 No.	2016 No.
Number of production staff	51	51
Number of selling and administrative staff	20	20
	<u>71</u>	<u>71</u>

7. Directors' remuneration

	2017 £	2016 £
Directors' emoluments	294,063	320,079
Defined contribution pension cost	11,250	10,480
	<u>305,313</u>	<u>330,559</u>

During the year retirement benefits were accruing to 3 directors (2016 - 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £144,600 (2016 - £157,894).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £4,750 (2016 - £4,571).

ROWLINSON GARDEN PRODUCTS LIMITED**Notes to the financial statements
For the year ended 30 April 2017****8. Interest payable and similar charges**

	2017 £	2016 £
Bank interest payable	1	4
Loans from group undertakings	34,688	-
Finance leases and hire purchase contracts	4,513	1,875
Other interest payable	40,364	43,987
	<u>79,566</u>	<u>45,866</u>

9. Taxation

	2017 £	2016 £
Corporation tax		
Current tax on profits for the year	19,172	-
	<u>19,172</u>	<u>-</u>
Total current tax	<u>19,172</u>	<u>-</u>
Deferred tax		
Origination and reversal of timing differences	22,095	(1,377)
Total deferred tax	<u>22,095</u>	<u>(1,377)</u>
Taxation on profit/(loss) on ordinary activities	<u>41,267</u>	<u>(1,377)</u>

ROWLINSON GARDEN PRODUCTS LIMITED

Notes to the financial statements For the year ended 30 April 2017

9. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2016 - higher than) the standard rate of corporation tax in the UK of 19.92% (2016 - 20%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	158,186	196,578
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.92% (2016 - 20%)	31,637	39,316
Effects of:		
Expenses not deductible for tax purposes	13,641	16,833
Adjustments to tax charge in respect of prior periods	-	6,040
Utilisation of tax losses and other deductions	-	(63,566)
Other differences leading to an increase (decrease) in the tax charge	(4,011)	-
Total tax charge for the year	41,267	(1,377)

10. Dividends

	2017 £	2016 £
Dividends paid	-	140,692

ROWLINSON GARDEN PRODUCTS LIMITED

Notes to the financial statements For the year ended 30 April 2017

11. Tangible fixed assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 May 2016	1,587,669	834,689	162,983	2,585,341
Additions	-	47,889	126,082	173,971
Disposals	-	-	(105,703)	(105,703)
At 30 April 2017	<u>1,587,669</u>	<u>882,578</u>	<u>183,362</u>	<u>2,653,609</u>
Depreciation				
At 1 May 2016	402,091	494,906	103,479	1,000,476
Charge for the year on owned assets	45,348	20,627	25,450	91,425
Charge for the year on financed assets	-	10,324	-	10,324
Disposals	-	-	(88,463)	(88,463)
At 30 April 2017	<u>447,439</u>	<u>525,857</u>	<u>40,466</u>	<u>1,013,762</u>
Net book value				
At 30 April 2017	<u>1,140,230</u>	<u>356,721</u>	<u>142,896</u>	<u>1,639,847</u>
At 30 April 2016	<u>1,185,579</u>	<u>339,782</u>	<u>59,504</u>	<u>1,584,865</u>

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

	2017 £	2016 £
Plant and machinery	<u>190,991</u>	<u>201,315</u>

ROWLINSON GARDEN PRODUCTS LIMITED

Notes to the financial statements For the year ended 30 April 2017

12. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 May 2016 and 30 April 2017	21,216
Impairment	
At 1 May 2016 and 30 April 2017	21,216
Net book value	
At 30 April 2016 and 30 April 2017	

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
Rowlinson (Wirebound Containers) Limited	Ordinary	100 %	Dormant

13. Stocks

	2017 £	2016 £
Raw materials	215,263	255,287
Work in progress	253,106	238,940
Finished goods	3,761,262	3,486,182
	4,229,631	3,980,409

Stock recognised in cost of sales during the year as an expense was £9,227,306 (2016: 9,477,393).

The total movement in stock provision credited to cost of sales in the year was £11,901 (2016: £80,160 debited).

ROWLINSON GARDEN PRODUCTS LIMITED**Notes to the financial statements
For the year ended 30 April 2017****14. Debtors**

	2017 £	2016 £
Trade debtors	3,667,729	5,057,112
Amounts owed by group undertakings	186,617	-
Other debtors	-	198
Prepayments and accrued income	92,529	173,214
Deferred taxation	-	1,377
	<u>3,946,875</u>	<u>5,231,901</u>

15. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	<u>197,267</u>	<u>142,864</u>

16. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	1,610,647	1,310,019
Amounts owed to group undertakings	149,684	1,482,598
Corporation tax	19,172	-
Other taxation and social security	565,636	586,948
Obligations under finance lease and hire purchase contracts	24,940	23,869
Invoice discounting advances	1,708,012	2,635,502
Other creditors	-	18,063
Accruals and deferred income	823,926	796,001
	<u>4,902,017</u>	<u>6,853,000</u>

Invoice discounting advances are secured on the trade debts of the Company.

The Company has granted fixed and floating charges on its assets to secure the bank loan and overdraft.

Net obligations under hire purchase contracts are secured against the assets to which they relate.

ROWLINSON GARDEN PRODUCTS LIMITED

Notes to the financial statements For the year ended 30 April 2017

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

	2017 £	2016 £
Net obligations under finance leases and hire purchase contracts	123,031	150,649
Amounts owed to group undertakings	2,414,546	1,500,000
	<u>2,537,577</u>	<u>1,650,649</u>

Net obligations under hire purchase contracts are secured against the assets to which they relate.

18. Deferred taxation

	2017 £	2016 £
At beginning of year	1,377	-
Charged to profit or loss	(22,095)	1,377
At end of year	<u>(20,718)</u>	<u>1,377</u>

The deferred taxation balance is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	(29,600)	(22,812)
Tax losses carried forward	2,757	6,266
Short term timing differences	6,125	17,923
	<u>(20,718)</u>	<u>1,377</u>

19. Share capital

	2017 £	2016 £
Shares classified as equity		
Allotted, called up and fully paid		
20,000 Ordinary shares of £1 each	<u>20,000</u>	<u>20,000</u>

ROWLINSON GARDEN PRODUCTS LIMITED

Notes to the financial statements For the year ended 30 April 2017

20. Guarantees and financial commitments

At the year end the Company had contracts in place to purchase Polish Zloty totaling £39,389 at rates between PLN4.8518/£1 and PLN4.8527/£1, these contracts expire between 2 May 2017 and 8 May 2017.

At the year end the Company had contracts in place to purchase US Dollars totaling £950,592 at rates between \$1.2216/£1 and \$1.2968/£1, these contracts expire between 15 May 2017 and 31 July 2017.

At the year end the Company had a contract in place to purchase Euros totaling £27,485 at a rate of €0.8468/£1, this contract expires on 24 May 2017.

The Company has guaranteed bank borrowings of certain fellow group undertakings. The aggregate amount outstanding under these arrangements at the balance sheet date was £nil (2016: £30,207).

The Company is party to a cross guarantee in favour of Santander UK Plc incorporating all group companies. Amounts guaranteed at the balance sheet date were £nil (2016: £665,464)

The Company has a HM Revenue and Customs bond with recourse totaling £80,000 (2016: £80,000) at the balance sheet date.

With the exception of Rowlinson Packaging (South) Limited, the Company is registered for VAT purposes in a group of undertakings, which share a common registration number. As a result, it has jointly guaranteed the VAT liability of the group. However, the directors are of the common opinion that no liability is likely to arise from the unlikely event of failure by other members of the Group.

21. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund.

The pension charge represents contributions payable by the Company to the scheme in the year ended 30 April 2017 which amounted to £31,971 (2016: £29,780).

22. Commitments under operating leases

At 30 April 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	37,722	40,582
Later than 1 year and not later than 5 years	143,441	149,448
Later than 5 years	23,817	55,532
	<u>204,980</u>	<u>245,562</u>

ROWLINSON GARDEN PRODUCTS LIMITED

Notes to the financial statements For the year ended 30 April 2017

23. Related party transactions

As a subsidiary undertaking, the Company has taken full advantage of the exemption under Financial Reporting Standards 102, section 33, from disclosing transactions with other members of the group headed by Rowlinson Consolidated Limited.

At the balance sheet date, the following balances were due from/(to) group companies:

	2017 £	2016 £
Rowlinson Timber Limited	(65,069)	(60,871)
Rowlinson Packaging Limited	(1,571,864)	(1,500,000)
Rowlinson Group Limited	(447,062)	(1,403,560)
Baltic Connexions Limited	(25,234)	(18,336)
Alexandra Retail Limited	186,617	-
Rowlinson Packaging (South) Limited	(455,000)	-

24. Ultimate parent undertaking and controlling party

The directors regard Rowlinson Consolidated Limited, a company incorporated in England and Wales, as the ultimate parent company. Rowlinson Consolidated Limited is under the control of R J Rowlinson, the controlling shareholder of that company.

The consolidated financial statements of Rowlinson Consolidated Limited are available to the public and may be obtained from the Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.