Company Registration No. 00416607 (England and Wales)

ROWLINSON GARDEN PRODUCTS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

FRIDAY
A8DWEPGP
A31 13/09/2019 #6
COMPANIES HOUSE

ROWLINSON GARDEN PRODUCTS LIMITED

COMPANY INFORMATION

Directors	R J Rowlinson	
	C D Firth	
	M J Lightfoot	
	P C Woolley	
	A R N Sharman	(Appointed 19 December 2018)
Secretary	A R N Sharman	
Company number	00416607	
Registered office	Group Offices Green Lane Wardle Nantwich Chesire CW5 6BN	
Auditor	Baldwins Audit Services 5th Floor 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	6
Balance sheet	7
Notes to the financial statements	8 - 20

ROWLINSON GARDEN PRODUCTS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present the strategic report for the year ended 31 December 2018.

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

Financial instruments
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 borrowings 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.

Foreign 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.

On behalf of the board

R J Rowlinson
Director
30 August 2019

ROWLINSON GARDEN PRODUCTS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their annual report and financial statements for the year ended 31 December 2018.

Principal activities
The principal activity of the company continued to be that of the manufacture and merchanting of timber garden products.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

R J Rowlinson
C D Firth
M J Lightfoot
P C Woolley
A R N Sharman (Appointed 19 December 2018)

Results and dividends
The results for the year are set out on page 6.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Auditor
The auditor, Baldwins Audit Services (previously trading as CLB Coopers Audit Services), is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities
The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

R J Rowlinson
Director
30 August 2019

ROWLINSON GARDEN PRODUCTS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ROWLINSON GARDEN PRODUCTS LIMITED

Opinion

We have audited the financial statements of Rowlinson Garden Products Limited (the 'company') for the year ended 31 December 2018 which comprise the Statement of Income and Retained Earnings, the Balance Sheet and notes to the financial statements, 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 FRS 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 company's affairs as at 31 December 2018 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.

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 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 auditor's 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- 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 the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF ROWLINSON GARDEN PRODUCTS LIMITED

Matters on which we are required to report by exception
In the light of the 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.

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.

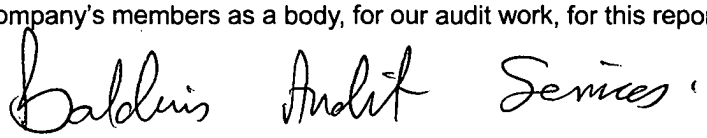
Responsibilities of directors
As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary 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 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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



David Clift (Senior Statutory Auditor)
for and on behalf of Baldwins Audit Services

30 August 2019

Statutory Auditor

5th Floor
Ship Canal House
98 King Street
Manchester
M2 4WU

ROWLINSON GARDEN PRODUCTS LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Year ended 31 December 2018 £	Period ended 31 December 2017 £
Turnover	3	14,282,965	9,072,641
Cost of sales		(12,013,241)	(7,687,837)
Gross profit		2,269,724	1,384,804
Distribution costs		(595,060)	(374,959)
Administrative expenses		(1,443,739)	(935,363)
Operating profit	4	230,925	74,482
Interest payable and similar expenses	7	(77,842)	(50,644)
Profit before taxation		153,083	23,838
Tax on profit	8	(59,621)	16,085
Profit for the financial year		93,462	39,923
Retained earnings brought forward		2,573,231	2,533,308
Retained earnings carried forward		2,666,693	2,573,231

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

ROWLINSON GARDEN PRODUCTS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018 £	2018 £	2017 as restated £	2017 as restated £
Fixed assets					
Tangible assets	9		1,536,660		1,593,350
Current assets					
Stocks	10	3,089,091		3,379,041	
Debtors	11	1,540,125		1,554,227	
Cash at bank and in hand		74,332		125,174	
		4,703,548		5,058,442	
Creditors: amounts falling due within one year	12	(2,450,834)		(2,197,846)	
Net current assets			2,252,714		2,860,596
Total assets less current liabilities			3,789,374		4,453,946
Creditors: amounts falling due after more than one year	13		(1,077,001)		(1,858,164)
Provisions for liabilities	14		(25,680)		(2,551)
Net assets			2,686,693		2,593,231
Capital and reserves					
Called up share capital	17		20,000		20,000
Profit and loss reserves			2,666,693		2,573,231
Total equity			2,686,693		2,593,231

The financial statements were approved by the board of directors and authorised for issue on 30 August 2019 and are signed on its behalf by:

R J Rowlinson
Director

Company Registration No. 00416607

1 Accounting policies

Company information

Rowlinson Garden Products Limited is a private company limited by shares incorporated in England and Wales. The registered office is Group Offices, Green Lane, Wardle, Nantwich, Cheshire, CW5 6BN.

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.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Rowlinson Consolidated Limited. These consolidated financial statements may be obtained from the Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

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

1 Accounting policies **(Continued)**

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.

1.4 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:

Freehold property	2.5% straight line
Plant and machinery	5-15% straight line
Motor vehicles	25% straight line

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.

1.5 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.

1.6 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies **(Continued)**

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1 Accounting policies **(Continued)**

Other financial liabilities

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 finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value though profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.8 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.

1.9 Retirement benefits

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

1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income 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.

1 Accounting policies **(Continued)**

1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

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 profit and loss account is recognised in cost of sales.

3 Turnover and other revenue

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

	2018	2017
	£	£
Turnover analysed by geographical market		
United Kingdom	13,837,194	8,691,554
Rest of Europe	146,744	184,685
Rest of the world	299,027	196,402
	14,282,965	9,072,641

4 Operating profit

Operating profit for the period is stated after charging/(crediting):	2018 £	2017 £
Exchange gains	(3,646)	(10,716)
Fees payable to the company's auditor for the audit of the company's financial statements	14,236	12,406
Depreciation of owned tangible fixed assets	99,339	76,049
Depreciation of tangible fixed assets held under finance leases	10,324	6,883
Loss on disposal of tangible fixed assets	1,157	544
Cost of stocks recognised as an expense	10,766,473	6,919,609
Operating lease charges	24,839	19,183

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2018 Number	2017 Number
Number of production staff	51	52
Number of selling and administrative staff	25	20
	76	72

Their aggregate remuneration comprised:

	2018 £	2017 £
Wages and salaries	1,831,055	1,071,385
Social security costs	131,955	87,458
Pension costs	46,770	26,384
	2,009,780	1,185,227

6 Directors' remuneration

	2018 £	2017 £
Remuneration for qualifying services	225,018	220,299
Company pension contributions to defined contribution schemes	10,542	8,632
	235,560	228,931

6 Directors' remuneration (Continued)

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2017 - 4).

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2018 £	2017 £
Remuneration for qualifying services	95,329	116,754
Company pension contributions to defined contribution schemes	4,193	3,233

7 Interest payable and similar expenses

	2018 £	2017 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	872	2
Interest on finance leases and hire purchase contracts	4,792	3,000
Interest on invoice finance arrangements	24,928	18,642
Interest payable to group undertakings	41,250	25,000
	71,842	46,644
Other finance costs:		
Other interest	6,000	4,000
	77,842	50,644

8 Taxation

	2018 £	2017 £
Current tax		
UK corporation tax on profits for the current period	36,492	-
Adjustments in respect of prior periods	-	2,082
Total current tax	36,492	2,082
Deferred tax		
Origination and reversal of timing differences	8,788	(1,814)
Previously unrecognised tax loss, tax credit or timing difference	-	(16,353)
Adjustment in respect of prior periods	14,341	-
Total deferred tax	23,129	(18,167)
Total tax charge/(credit)	59,621	(16,085)

The actual charge/(credit) for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2018	2017
	£	£
Profit before taxation	153,083	23,838
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.00%)	29,086	4,529
Tax effect of expenses that are not deductible in determining taxable profit	3,834	587
Effect of change in corporation tax rate	(617)	213
Group relief	-	(18,106)
Depreciation on assets not qualifying for tax allowances	12,977	10,963
Under/(over) provided in prior years	-	2,082
Deferred tax adjustments in respect of prior years	14,341	(16,353)
Taxation charge/(credit) for the period	59,621	(16,085)

9 Tangible fixed assets

	Freehold property	Plant and machinery	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 January 2018	1,587,669	909,818	183,362	2,680,849
Additions	70,083	42,250	-	112,333
Disposals	-	(6,800)	(72,270)	(79,070)
At 31 December 2018	1,657,752	945,268	111,092	2,714,112
Depreciation and impairment				
At 1 January 2018	477,671	539,967	69,861	1,087,499
Depreciation charged in the year	46,808	37,721	25,134	109,663
Eliminated in respect of disposals	-	(1,643)	(18,067)	(19,710)
At 31 December 2018	524,479	576,045	76,928	1,177,452
Carrying amount				
At 31 December 2018	1,133,273	369,223	34,164	1,536,660
At 31 December 2017	1,109,998	369,851	113,501	1,593,350

9 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.

	2018	2017
	£	£
Plant and machinery	173,784	184,108
Depreciation charge for the year in respect of leased assets	10,324	6,883

10 Stocks

	2018	2017 as restated
	£	£
Raw materials and consumables	335,646	197,679
Work in progress	294,035	219,878
Finished goods and goods for resale	2,459,410	2,961,484
	3,089,091	3,379,041

11 Debtors

Amounts falling due within one year:	2018 £	2017 £
Trade debtors	1,122,013	983,339
Amounts owed by group undertakings	342,913	470,635
Other debtors	19,900	-
Prepayments and accrued income	55,299	100,253
	1,540,125	1,554,227

12 Creditors: amounts falling due within one year

	2018	2017 as restated
	£	£
Obligations under finance leases and hire purchase contracts	26,725	25,655
Trade creditors	789,463	888,898
Amounts due to group undertakings	500,663	114,625
Corporation tax	34,410	2,082
Other taxation and social security	107,772	78,659
Invoice discounting advances	281,114	430,084
Accruals and deferred income	710,687	657,843
	2,450,834	2,197,846

Invoice discounting advances are secured on the trade debtors of the company.

Net obligations under finance leases and hire purchase contracts are secured against the asset in which they relate.

13 Creditors: amounts falling due after more than one year

	2018	2017
	£	£
Obligations under finance leases	77,001	104,618
Amounts due to group undertakings	1,000,000	1,753,546
	1,077,001	1,858,164

14 Provisions for liabilities

	Notes	2018	2017
		£	£
Deferred tax liabilities	15	25,680	2,551

15 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2018	Liabilities 2017
Balances:	£	£
Accelerated capital allowances	38,727	2,551
Short term timing differences	(13,047)	-
	25,680	2,551

	2018
Movements in the year:	£
Liability at 1 January 2018	2,551
Charge to profit or loss	23,129
Liability at 31 December 2018	25,680

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

16 Retirement benefit schemes

	2018	2017
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	46,770	26,384

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

17 Share capital

	2018	2017
	£	£
Ordinary share capital		
Issued and fully paid		
20,000 ordinary shares of £1 each	20,000	20,000
	20,000	20,000

18 Financial commitments, guarantees and contingent liabilities

At the year end the company had contracts in place to purchase Polish Zloty totalling £595,471 at rates between PLN4.850740/£1 and PLN4.853498/£1, these contracts expire between 4 March 2019 and 7 May 2019.

At the year end the company had contracts in place to purchase US Dollars totalling £495,552 at rates between US1.278003/£1 and US1.312796/£1, these contracts expire 29 March 2019.

At the year end the company had contracts in place to purchase EUR totalling £83,662 at rates between EUR0.888470/£1 and EUR0.891192/£1, these contracts expire between 4 Jan 2019 and 28 Feb 2019.

At the year end the company had contracts in place to sell US Dollars totalling £89,997 at a rate of US1.312796/£1, which expire 29 March 2019.

At the year end the company had contracts in place to sell EUR totalling £25,322 at a rate of EUR0.891192/£1, which expires 4 Jan 2019.

With the exception of Rowlinson Packaging (South) Limited and Alexandra Retail 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.

19 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2018 £	2017 £
Within one year	39,371	39,371
Between two and five years	109,347	145,849
In over five years	-	2,869
	148,718	188,089

20 Related party transactions

The amounts owed to/from related parties are as follows:

Amounts owed from Rowlinson Group Limited £324,574 (2017: amounts owed to Rowlinson Group Limited £74,406)

Amounts owed to Rowlinson Timber Limited £46,662 (2017: £43,535)

Amounts owed to Rowlinson Packaging Limited £1,454,000 (2017: £1,456,884)

Amounts owed to Rowlinson Packaging (South) Limited £nil (2017: £175,000)

Amounts owed from Alexandra Retail Limited £18,339 (2017: £352,289)

21 Controlling party

The directors regard Rowlinson Consolidated Limited, company incorporated in England and Wales, as the ultimate controlling party. 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 from Companies House.

22 Reclassification of prior year figures

The prior year balance sheet has been restated to transfer the stock provision recognised from accruals and deferred income to offset against gross the stock figure presented previously presented. The net effect on reported net assets and result for the period is £nil.