Registration number: 02213321

Farplants Group Limited

Annual Report and Consolidated Financial Statements

for the Year Ended 31 August 2016

Kreston Reeves LLP
9 Donnington Park
85 Birdham Road
Chichester
West Sussex
PO20 7AJ

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Farplants Group Limited

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Farplants Group Limited

Company Information

Directors	Mr David Tristram Mr Jeffrey Hooper Mr James Turner Mr Michael Tristram Mr Christopher Tellwright
Company secretary	Mrs Nicola Bream
Registered office	9 Donnington Park 85 Birdham Road Chichester West Sussex PO20 7AJ
Solicitors	Brook Oliver & Co 12a Stanford Road Springfield Road Lymington Hampshire SO41 9GF
Bankers	National Westminster Bank Plc 27 South Street Worthing Sussex BN11 3AR
Auditors	Kreston Reeves LLP 9 Donnington Park 85 Birdham Road Chichester West Sussex PO20 7AJ

Farplants Group Limited

Strategic Report for the Year Ended 31 August 2016

The Directors present their strategic report for the year ended 31 August 2016.

Principal activity
The principal activity of the company is that of horticultural sales and distribution

Fair review of the business
The Farplants Group have been providing many different varieties of plants to garden centres throughout the UK for the last 36 years. Farplants is the trading arm of a cooperative that brings together five nurseries from the local area – Binsted Nursery, Fleurie Nursery, Star Plants, Walberton Nusery and Toddington Nurseries.

Farplants is a wholesaler to garden plant retailers including a grocery multiple, and relationships remain strong with our customer base, as we continue to evolve to support their needs. Turnover remained relatively constant whilst we have concentrated on plans for further growth in 2017.

The Group's key financial and other performance indicators during the year were as follows:

	Unit	2016	2015
Sales	£	19,071,309	19,047,905
Gross profits	£	5,789,490	5,663,429
Operating profits	£	218,742	123,963

The higher operating profit than last year was principally due to a reduction in operating leases in respect of plant and machinery used in distribution.

Our objective continues to be increased profitability for our member nurseries through growth and continuous improvement in both products and processes, whilst providing great service and quality to our customers. We plan to continue the growth in 'Added Value' offerings, especially outside of the 'traditional' UK gardening season, therefore improving utilisation of our extensive distribution centre.

Principal risks and uncertainties
Our principal risk remains the weather and its' effect on sales demand. We mitigate this through our wide-ranging customer base and strong sales focus, along with growth in 'Added Value' business, which is less affected by seasonality.

We are not complacent to competitor activity and are constantly looking for ways to increase our market share, bring differentiation to our product offering, and innovating to streamline costs within the production and distribution processes.

Approved by the Board on 13 April 2017 and signed on its behalf by:

.....
Mr Michael Tristram
Director

Farplants Group Limited

Directors' Report for the Year Ended 31 August 2016

The Directors present their report and the consolidated financial statements for the year ended 31 August 2016.

Directors of the Group
The directors who held office during the year were as follows:

Mr David Tristram

Mr Jeffrey Hooper

Mr James Turner

Mr Michael Tristram

Mr Christopher Tellwright

Directors' responsibilities
The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

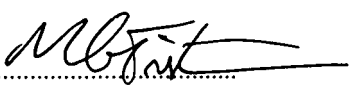
Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 apply them consistently;
- make judgements 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; and
- 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 Group's and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to the auditor
Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Approved by the Board on 13 April 2017 and signed on its behalf by:



Mr Michael Tristram
Director

Farplants Group Limited

Independent Auditor's Report

We have audited the financial statements of Farplants Group Limited for the year ended 31 August 2016, set out on pages 6 to 33. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in 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.

Respective responsibilities of Directors and auditor

As explained more fully in the Directors' Report (set out on page 3), the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors to the financial statements.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's web-site at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the Company's affairs as at 31 August 2016 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Farplants Group Limited

Independent Auditor's 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 by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

.....

Simon Webber BA(Hons) FCA (Senior Statutory Auditor)
For and on behalf of Kreston Reeves LLP, Statutory Auditor

9 Donnington Park
85 Birdham Road
Chichester
West Sussex
PO20 7AJ

Date: 20th April 2017

Farplants Group Limited

Consolidated Profit and Loss Account for the Year Ended 31 August 2016

	Note	2016 £	2015 £
Turnover	3	19,071,309	19,047,905
Cost of sales		(13,281,819)	(13,384,476)
Gross profit		5,789,490	5,663,429
Distribution and selling costs		(4,866,182)	(4,873,836)
Administrative expenses		(793,796)	(725,939)
Other operating income	4	89,230	60,309
Operating profit	5	218,742	123,963
Other interest receivable and similar income	6	2,057	1,685
Amounts written off investments		-	(1,524)
Interest payable and similar charges	7	(35,024)	(76,443)
		(32,967)	(76,282)
Profit before tax		185,775	47,681
Taxation	11	(49,982)	(27,529)
Profit for the financial year		135,793	20,152
Profit/(loss) attributable to:			
Owners of the company		135,793	20,152

The group has no recognised gains or losses for the year other than the results above.

Farplants Group Limited

(Registration number: 02213321)
Consolidated Balance Sheet as at 31 August 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	12	2,021,532	2,138,443
Current assets			
Stocks	14	48,447	70,645
Debtors	15	2,875,969	2,938,475
Cash at bank and in hand		188,183	627,138
		3,112,599	3,636,258
Creditors: Amounts falling due within one year	17	(3,614,373)	(4,188,990)
Net current liabilities		(501,774)	(552,732)
Total assets less current liabilities		1,519,758	1,585,711
Creditors: Amounts falling due after more than one year	17	(690,721)	(866,367)
Provisions for liabilities	18	(37,003)	(63,103)
Net assets		792,034	656,241
Capital and reserves			
Called up share capital	20	175,000	175,000
Capital redemption reserve		15,000	15,000
Profit and loss account		597,034	461,241
Equity attributable to owners of the company		787,034	651,241
Non-controlling interests	13	5,000	5,000
Total equity		792,034	656,241

Approved and authorised by the Board on 13 April 2017 and signed on its behalf by:

.....

Mr James Turner

Director

Farplants Group Limited

(Registration number: 02213321)
Balance Sheet as at 31 August 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	12	1,945,384	2,057,700
Investments	13	68,118	68,118
		2,013,502	2,125,818
Current assets			
Debtors	15	106,163	104,582
Cash at bank and in hand		7,342	5,511
		113,505	110,093
Creditors: Amounts falling due within one year	17	(1,144,909)	(1,301,463)
Net current liabilities		(1,031,404)	(1,191,370)
Total assets less current liabilities		982,098	934,448
Creditors: Amounts falling due after more than one year	17	(690,721)	(866,367)
Provisions for liabilities	18	(37,003)	(63,103)
Net assets		254,374	4,978
Capital and reserves			
Called up share capital		175,000	175,000
Capital redemption reserve		15,000	15,000
Profit and loss account		64,374	(185,022)
Total equity		254,374	4,978

Approved and authorised by the Board on 13 April 2017 and signed on its behalf by:

Mr James Turner
Director

Farplants Group Limited

Consolidated Statement of Changes in Equity for the Year Ended 31 August 2016

	Share capital £	Capital redemption reserve £	Profit and loss account £	Total £	Non-controlling interests £	Total equity £
At 1 September 2015	175,000	15,000	461,241	651,241	5,000	656,241
Profit for the year	-	-	135,793	135,793	-	135,793
Total comprehensive income	-	-	135,793	135,793	-	135,793
At 31 August 2016	175,000	15,000	597,034	787,034	5,000	792,034

	Share capital £	Capital redemption reserve £	Profit and loss account £	Total £	Non-controlling interests £	Total equity £
At 1 September 2014	175,000	15,000	441,089	631,089	5,000	636,089
Profit for the year	-	-	20,152	20,152	-	20,152
Total comprehensive income	-	-	20,152	20,152	-	20,152
At 31 August 2015	175,000	15,000	461,241	651,241	5,000	656,241

The notes on pages 13 to 33 form an integral part of these financial statements.

Farplants Group Limited

Statement of Changes in Equity for the Year Ended 31 August 2016

	Share capital £	Capital redemption reserve £	Profit and loss account £	Total £
At 1 September 2015	175,000	15,000	(185,022)	4,978
Profit for the year	-	-	249,396	249,396
Total comprehensive income	-	-	249,396	249,396
At 31 August 2016	175,000	15,000	64,374	254,374

	Share capital £	Capital redemption reserve £	Profit and loss account £	Total £
At 1 September 2014	175,000	15,000	(219,376)	(29,376)
Profit for the year	-	-	34,354	34,354
Total comprehensive income	-	-	34,354	34,354
At 31 August 2015	175,000	15,000	(185,022)	4,978

The notes on pages 13 to 33 form an integral part of these financial statements.

Farplants Group Limited

Consolidated Statement of Cash Flows for the Year Ended 31 August 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Profit for the year		135,793	20,152
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	5	123,909	172,181
Financial instrument net gains (losses) through profit and loss		(88)	-
Finance income	6	(2,057)	(1,685)
Finance costs	7	35,024	77,967
Income tax expense	11	49,982	27,529
		342,563	296,144
Working capital adjustments			
Decrease in stocks	14	22,198	12,204
Decrease in trade debtors	15	62,506	106,322
(Decrease)/increase in trade creditors	17	(374,790)	523,414
Decrease in deferred income, including government grants		(34,407)	(35,015)
Cash generated from operations		18,070	903,069
Income taxes paid	11	(60,037)	-
Net cash flow from operating activities		(41,967)	903,069
Cash flows from investing activities			
Interest received		2,057	1,685
Acquisitions of tangible assets		(6,999)	(6,082)
Net cash flows from investing activities		(4,942)	(4,397)
Cash flows from financing activities			
Interest paid	7	(34,936)	(76,443)
Repayment of bank borrowing		(237,621)	(159,179)
Net cash flows from financing activities		(272,557)	(235,622)
Net (decrease)/increase in cash and cash equivalents		(319,466)	663,050
Cash and cash equivalents at 1 September		(7,304)	(670,354)
Cash and cash equivalents at 31 August	16	(326,770)	(7,304)

The notes on pages 13 to 33 form an integral part of these financial statements.

Farplants Group Limited

Statement of Cash Flows for the Year Ended 31 August 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Profit for the year		249,396	34,354
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	5	112,315	160,858
Finance income		(120,000)	-
Finance costs	7	28,517	67,724
Income tax expense	11	7,746	7,616
		277,974	270,552
Working capital adjustments			
(Increase)/decrease in trade debtors	15	(1,581)	566
Decrease in trade creditors	17	(86,241)	(5,124)
Decrease in deferred income, including government grants		(34,407)	(35,015)
Cash generated from operations		155,745	230,979
Income taxes paid	11	(7,776)	-
Net cash flow from operating activities		147,969	230,979
Cash flows from investing activities			
Income received		120,000	-
Acquisitions of tangible assets		-	(4,701)
Net cash flows from investing activities		120,000	(4,701)
Cash flows from financing activities			
Interest paid	7	(28,517)	(66,200)
Repayment of bank borrowing		(237,621)	(159,179)
Net cash flows from financing activities		(266,138)	(225,379)
Net increase in cash and cash equivalents		1,831	899
Cash and cash equivalents at 1 September		5,511	4,612
Cash and cash equivalents at 31 August	16	7,342	5,511

The notes on pages 13 to 33 form an integral part of these financial statements.

Notes to the Financial Statements for the Year Ended 31 August 2016

1 General information

The company is a private company limited by share capital incorporated in United Kingdom.

The address of its registered office is:
9 Donnington Park
85 Birdham Road
Chichester
West Sussex
PO20 7AJ

The principal place of business is:
Farplants Sales Ltd
Yapton Lane
Walberton
Arundel
West Sussex
BN18 0AS

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance
These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. The effect of transition to FRS 102 can be found in note 26.

Basis of preparation
These financial statements are presented in round £ and have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Notes to the Financial Statements for the Year Ended 31 August 2016

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the Company and its subsidiary undertakings drawn up to 31 August 2016.

A subsidiary is an entity controlled by the Company. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the Profit and Loss Account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the Group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the Company and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination.

Judgements

The preparation of the financial statements requires the directors to make judgements, estimates and assumptions that can affect the amounts reported for assets and liabilities, and the results for the year. The nature of estimation is such though that actual outcomes could differ significantly from those estimates.

The following judgements and key sources of estimation uncertainty have had the most significant impact on amounts recognised in the financial statements:

The group has recognised tangible fixed assets with a carrying value of £2,021,532 at the reporting date (see note 12). These assets are stated at their cost less provision for depreciation and impairment, the group's accounting policy sets out the approach to calculating depreciation. Where there are indicators that the carrying value of tangible assets may be impaired the group undertakes tests to determine the recoverable amount of assets. These tests require estimates of the fair value of assets less cost to sell and of their value in use. Wherever possible the estimate of the fair value of assets is based upon observable market prices less incremental cost for disposing of the asset.

The land and buildings held within the company have been valued at cost less accumulated depreciation. Due to the bespoke nature of the assets the directors belive that a fair value cannot be measured reliably without undue cost or effort and belive that recognition at cost less the applied depreciation policies is an appropriate valuation.

A management fee is charged from the company to it's subsidiary Farplants Sales Limited. This is calculated based on the value of the assets used by the subsidiary during the period. The calculation method has been consistently applied and the directors judge this to be the most appropriate way to determine the value of economic benefit received by the subsidiary from the use of these assets

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the Company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts. The Company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity.

Government grants

Government grant income that has been received to subsidise the purchase of a fixed asset is released to the profit and loss account in line with the depreciation policy applied to that specific asset.

Foreign currency transactions and balances

Transactions in foreign currencies are recorded at the exchange rate ruling on that day. Monetary assets and liabilities denominated in foreign currencies are restated at the closing rates at the balance sheet date and differences taken to the profit and loss account.

Tax

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the group operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements and on unused tax losses or tax credits in the Group. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is provided on all tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Land and buildings - freehold	5% & 10% straight line
Land and buildings - long leasehold	4% straight line
Fixtures and fittings	10% & 33.3% straight line
Computer equipment	10%, 20% & 33.3% straight line
Plant and machinery	10% & 20% straight line

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the Group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Investments

Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Cash and cash equivalents

Cash and cash equivalents comprise of bank balances and cash on hand.

Trade receivables
Trade debtors are amounts due from customers for the sale of goods and the provision of services in the ordinary course of business. Trade debtors are recognised initially at the transaction price. A provision for the impairment of trade debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

Inventories
Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell and the impairment loss is recognised immediately in profit or loss.

Trade payables
Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Borrowings
Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases
Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital
Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends
Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation
A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the Group has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Employee termination benefits

It is the company's policy not to provide termination benefits over and above it's normal terms of employment. In certain circumstances where an employee's contract is ended before its term, or voluntary redundancy is encouraged, a formal plan for termination is agreed and compensation is assessed on a case by case basis. The company recognises employee termination benefits as an expense when economic outflow is probable.

3 Revenue

The analysis of the group's revenue for the year from continuing operations is as follows:

	2016	2015
	£	£
Sale of goods	18,108,509	18,158,773
Rendering of services	962,800	889,132
	19,071,309	19,047,905

4 Other operating income

The analysis of the group's other operating income for the year is as follows:

	2016	2015
	£	£
Government grants	34,407	35,015
Miscellaneous other operating income	54,823	25,294
	89,230	60,309

5 Operating profit

Arrived at after charging/(crediting)

	2016	2015
	£	£
Depreciation expense	123,909	172,181
Operating lease expense - plant and machinery	88,338	299,039

6 Other interest receivable and similar income

	2016	2015
	£	£
Interest income on bank deposits	2,057	1,685

7 Interest payable and similar charges

	2016 £	2015 £
Interest on bank overdrafts and borrowings	6,419	10,243
Interest expense on other finance liabilities	28,517	66,200
Foreign exchange (gains) / losses	88	-
	35,024	76,443

8 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2016 £	2015 £
Wages and salaries	2,414,545	2,208,905
Social security costs	157,322	141,429
Pension costs, defined contribution scheme	92,386	90,337
	2,664,253	2,440,671

The cost of termination benefits included in wages and salaries in the year amounted to £147,600 (2015 - £Nil). This consists of £30,000 (2015 - £Nil) for payment in lieu of notice and £117,000 (2015 - £Nil) as settlement for early termination of employment. The amount provided for within creditors amounted to £147,600 (2015 - £Nil) and no further obligations required funding after the reporting date.

The average number of persons employed by the group (including directors) during the year, analysed by category was as follows:

	2016 No.	2015 No.
Administration and support	10	10
Sales, marketing and distribution	50	42
	60	52

9 Directors' remuneration

The directors' remuneration for the year was as follows:

	2016	2015
	£	£
Remuneration	387,109	287,291
Contributions paid to money purchase schemes	32,653	38,397
	419,762	325,688

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2016	2015
	No.	No.
Accruing benefits under money purchase pension scheme	4	3

In respect of the highest paid director:

	2016	2015
	£	£
Remuneration	230,551	161,664
Company contributions to money purchase pension schemes	23,673	30,945

10 Auditors' remuneration

	2016	2015
	£	£
Audit of these financial statements	4,000	4,000
Audit of the financial statements of subsidiaries	6,000	6,000
	10,000	10,000
Other fees to auditors		
Taxation compliance services	13,000	-
All other assurance services	2,750	1,577
	15,750	1,577

Notes to the Financial Statements for the Year Ended 31 August 2016

11 Taxation

Tax charged/(credited) in the income statement

	2016 £	2015 £
Current taxation		
UK corporation tax	55,422	19,913
UK corporation tax adjustment to prior periods	20,660	-
	76,082	19,913
Deferred taxation		
Arising from origination and reversal of timing differences	(26,100)	7,616
Tax expense in the income statement	49,982	27,529

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2015 - the same as the standard rate of corporation tax in the UK) of 20% (2015 - 20%).

The differences are reconciled below:

	2016 £	2015 £
Profit before tax	185,775	47,681
Corporation tax at standard rate	37,155	9,536
Effect of revenues exempt from taxation	(30,237)	-
Effect of expense not deductible in determining taxable profit (tax loss)	1,255	3,129
Effect of tax losses	(1,670)	(32,437)
Increase (decrease) in UK and foreign current tax from adjustment for prior periods	18,283	-
Tax increase (decrease) from effect of capital allowances and depreciation	15,260	32,793
Tax increase (decrease) from other short-term timing differences	9,936	14,508
Total tax charge	49,982	27,529

Deferred tax

Group
Deferred tax assets and liabilities

2016	Asset £	Liability £
Capital allowances in excess of depreciation	-	55,688
Carried forward tax losses	-	-
Deferred income	18,685	-
	18,685	55,688

2015	Asset £	Liability £
Capital allowances in excess of depreciation	-	85,731
Carried forward tax losses	1,670	-
Deferred income	20,958	-
	22,628	85,731

Company
Deferred tax assets and liabilities

2016	Asset £	Liability £
Capital allowances in excess of depreciation	-	55,688
Carried forward tax losses	-	-
Deferred income	18,685	-
	18,685	55,688

2015	Asset £	Liability £
Capital allowances in excess of depreciation	-	85,731
Carried forward tax losses	1,670	-
Deferred income	20,958	-
	22,628	85,731

12 Property, plant and equipment

Group

	Land and buildings £	Fixtures, fittings and computer equipment £	Plant and machinery £	Total £
Cost or valuation				
At 1 September 2015	2,656,892	570,798	294,942	3,522,632
Additions	-	5,280	1,719	6,999
At 31 August 2016	2,656,892	576,078	296,661	3,529,631
Depreciation				
At 1 September 2015	600,574	513,639	269,976	1,384,189
Charge for the year	84,802	28,442	10,666	123,910
At 31 August 2016	685,376	542,081	280,642	1,508,099
Carrying amount				
At 31 August 2016	1,971,516	33,997	16,019	2,021,532
At 31 August 2015	2,056,318	57,159	24,966	2,138,443

Included within the net book value of land and buildings above is £1,971,516 (2015 - £2,056,318) in respect of freehold land and buildings, £Nil (2015 - £Nil) in respect of long leasehold land and buildings and £Nil (2015 - £Nil) in respect of short leasehold land and buildings.

Company

	Land and buildings £	Furniture, fittings and equipment £	Other property, plant and equipment £	Total £
Cost or valuation				
At 1 September 2015	2,591,377	543,021	289,767	3,424,165
At 31 August 2016	2,591,377	543,021	289,767	3,424,165
Depreciation				
At 1 September 2015	600,574	499,111	266,780	1,366,465
Charge for the year	84,802	18,524	8,990	112,316
At 31 August 2016	685,376	517,635	275,770	1,478,781
Carrying amount				
At 31 August 2016	1,906,001	25,386	13,997	1,945,384
At 31 August 2015	1,990,803	43,910	22,987	2,057,700

Included within the net book value of land and buildings above is £1,906,001 (2015 - £1,990,803) in respect of freehold land and buildings, £Nil (2015 - £Nil) in respect of long leasehold land and buildings and £Nil (2015 - £Nil) in respect of short leasehold land and buildings.

The land and buildings above are included at cost less accumulated depreciation as a reliable estimate could not be obtained without undue cost or effort.

13 Investments

Company

	2016	2015
	£	£
Shares in group undertakings and participating interests	12,603	12,603
Loans to group undertakings and participating interests	55,515	55,515
	68,118	68,118

Subsidiaries	£
Cost or valuation	
At 1 September 2015	68,118
Provision	
At 31 August 2016	-
Carrying amount	
At 31 August 2016	68,118
At 31 August 2015	68,118

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held 2016	2015
Subsidiary undertakings				
Farplants Sales Limited	United Kingdom	Ordinary	100%	100%
Wallock Limited	United Kingdom	Ordinary	50%	50%
Pride of Place Plants Limited	United Kingdom	Ordinary	100%	100%

The principal activity of Farplants Sales Limited is horticultural sales and distribution.

The principal activity of Wallock Limited is that of a dormant company.

The principal activity of Pride of Place Plants Limited is that of a dormant company.

The profit for the financial period of Farplants Sales Limited was £5,098 and the aggregate amount of capital and reserves at the end of the period was £524,896.

The profit for the financial period of Wallock Limited was £- and the aggregate amount of capital and reserves at the end of the period was £10,000.

The profit for the financial period of Pride of Place Plants Limited was £- and the aggregate amount of capital and reserves at the end of the period was £2.

Non-controlling interest represents 50% of the issued share capital of Wallock Limited.

For the year ending 31 August 2016 the following subsidiaries were entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies:

Wallock Limited

Pride of Place Plants Limited

14 Inventories

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Raw materials and consumables	48,447	70,645	-	-

Group
The cost of stocks recognised as an expense in the year amounted to £130,781 (2015 - £129,254).

15 Debtors

		Group		Company	
	Note	2016	2015	2016	2015
		£	£	£	£
Trade debtors		2,501,292	2,537,990	-	-
Amounts owed by related parties	24	163,749	164,001	103,749	104,001
Other debtors		6,739	5,499	2,414	581
Prepayments		52,049	68,630	-	-
Accrued income		152,140	162,355	-	-
Total current trade and other debtors		2,875,969	2,938,475	106,163	104,582

16 Cash and cash equivalents

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Cash on hand	1,437	978	-	-
Cash at bank	186,746	626,160	7,342	5,511
	188,183	627,138	7,342	5,511
Bank overdrafts	(514,953)	(634,442)	-	-
Cash and cash equivalents in statement of cash flows	(326,770)	(7,304)	7,342	5,511

17 Creditors

	Note	Group 2016 £	Group 2015 £	Company 2016 £	Company 2015 £
Due within one year					
Loans and borrowings	21	718,826	900,291	203,873	265,849
Trade creditors		2,017,263	2,442,765	2,772	1,200
Amounts due to related parties	24	-	-	624,030	712,357
Social security and other taxes		142,288	121,612	-	-
Defined contribution pension costs		14,175	10,274	-	-
Accrued expenses		402,991	376,856	5,292	4,778
Income tax liability	11	35,958	19,913	26,070	-
Deferred income		282,872	317,279	282,872	317,279
		3,614,373	4,188,990	1,144,909	1,301,463
Due after one year					
Loans and borrowings	21	690,721	866,367	690,721	866,367

18 Deferred tax and other provisions

Group

	Deferred tax £
At 1 September 2015	63,103
Increase (decrease) due to passage of time or unwinding of discount	(26,100)
At 31 August 2016	37,003

Company

	Deferred tax £
At 1 September 2015	63,103
Increase (decrease) due to passage of time or unwinding of discount	(26,100)
At 31 August 2016	37,003

19 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £92,386 (2015 - £90,337).

Contributions totalling £(14,175) (2015 - £(10,274)) were payable to the scheme at the end of the year and are included in creditors.

20 Share capital

Allotted, called up and fully paid shares

	2016		2015	
	No.	£	No.	£
Ordinary of £1 each	175,000	175,000	175,000	175,000

21 Loans and borrowings

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Non-current loans and borrowings				
Bank borrowings	690,721	866,367	690,721	866,367

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Current loans and borrowings				
Bank borrowings	203,873	265,849	203,873	265,849
Bank overdrafts	514,953	634,442	-	-
	718,826	900,291	203,873	265,849

Group

Bank borrowings

The bank loan is denominated in £ with a nominal interest rate of 2.21, and the final instalment is due on 1 June 2020. The carrying amount at year end is £894,594 (2015 - £1,132,216).

The bank loan is secured by fixed and floating charges over the plant and machinery, fixtures and fittings, office equipment, bookdebts and licences of the group in favour of the company's bankers.

The invoice discounting facility is denominated in £ with a nominal interest rate of , and the final instalment is due on . The carrying amount at year end is £514,953 (2015 - £634,442).

The invoice discounting facility is secured by fixed and floating charges over the plant and machinery, fixtures and fittings, office equipment, bookdebts and licences of the group in favour of the company's bankers.

Company

Bank borrowings

The bank loan is denominated in £ with a nominal interest rate of 2.21, and the final instalment is due on 1 June 2020. The carrying amount at year end is £894,594 (2015 - £1,132,216).

The bank loan is secured by fixed and floating charges over the plant and machinery, fixtures and fittings, office equipment, bookdebts and licences of the group in favour of the company's bankers.

22 Obligations under leases and hire purchase contracts

Group

Operating leases
The total of future minimum lease payments is as follows:

	2016 £	2015 £
Not later than one year	28,448	34,227
Later than one year and not later than five years	186,896	77,148
	215,344	111,375

The amount of non-cancellable operating lease payments recognised as an expense during the year was £86,291 (2015 - £88,932).

Company

Operating leases
The total of future minimum lease payments is as follows:

	2016 £	2015 £
Not later than one year	1,300	1,300

The amount of non-cancellable operating lease payments recognised as an expense during the year was £1,300 (2015 - £1,300).

23 Financial guarantee contracts

Company

The company has entered into a cross guarantee with National Westminster Bank Plc in relation to the group's (Farplants Group Limited, Farplants Sales Limited, Pride of Place Plants Limited and Wallock Limited) bank borrowings.

The amount of the financial guarantee contract is £700,578.

24 Related party transactions

Group

Key management personnel
The directors of the group have defined key management as the directors of the company and it's subsidiaries.

Key management compensation

	2016 £	2015 £
Salaries and other short term employee benefits	419,762	325,688

Summary of transactions with other related parties

Farplants Limited
(Under common control)
The group continued to provide an interest free loan to Farplants Limited. During the year Farplants Limited charged rent of £16,600 (2015 - £16,600) to the company. At the balance sheet date the amount due from Farplants Limited was £163,749 (2015: £164,001).

Binsted Nurseries LLP
(Under common control)
Sales made to Binsted Nurseries LLP during the year amounted to £188,631 (2015 - £169,764). Purchases from Binsted Nurseries LLP during the year amounted to £3,293,627 (2015: £3,369,074). At the balance sheet date the amount due to Binsted Nurseries LLP was £387,954 (2015 - £467,328).

Fleurie Nursery Limited
(Under common control)
Sales made to Fleurie Nursery Limited during the year amounted to £278,658 (2015 - £256,689). Purchases from Fleurie Nursery Limited during the year amounted to £3,302,050 (2015: £3,292,798). At the balance sheet date the amount due to Fleurie Nursery Limited was £289,696 (2015 - £319,752).

Star Nurseries Limited
(Under common control)
Sales made to Star Nurseries Limited during the year amounted to £155,532 (2015 - £132,736). Purchases from Star Nurseries Limited during the year amounted to £1,416,713 (2015: £1,533,550). At the balance sheet date the amount due to Star Nurseries Limited was £146,448 (2015 - £207,318).

Toddington Nurseries Limited
(Under common control)
Sales made to Toddington Nurseries Limited during the year amounted to £127,359 (2015 - £101,796). Purchases from Toddington Nurseries Limited during the year amounted to £2,187,325 (2015: £2,024,539). At the balance sheet date the amount due to Toddington Nurseries Limited was £191,208 (2015 - £384,921).

Walberton Nursery LLP
(Under common control)
Sales made to Walberton Nursery LLP during the year amounted to £121,607 (2015 - £98,805). Purchases from Walberton Nursery LLP during the year amounted to £1,907,804 (2015: £2,004,699). The group also paid rent to Walberton Nursery LLP totalling £1,300 (2015 - £1,300). At the balance sheet date the amount due to Walberton Nursery LLP was £373,573 (2015 - £459,422).

Fargro Limited
(A company in which member growers have shareholdings)
Purchases from Fargro Limited during the year amounted to £145,243 (2015: £195,443). At the balance sheet date the amount due to Fargro Limited was £93 (2015 - £4,976).

Company

Key management personnel
The directors of the company have defined key management to be the directors of the company and it's subsidiaries.

Key management compensation

	2016	2015
	£	£
Salaries and other short term employee benefits	419,762	625,688

Summary of transactions with subsidiaries
The company has taken advantage of the exemption in FRS 102 paragraph 33.1A from disclosing transactions with 100% owned subsidiary companies.

Summary of transactions with other related parties
Farplants Limited
(Under common control)
During the year the company continued to provide Farplants Limited with an interest free loan. At the balance sheet date the amount due from Farplants Limited was £103,749 (2015 - £104,001).

Walberton Nursery LLP
(Under common control)
During the year the company paid rent to Walberton Nursery LLP totalling £1,300 (2015 - £1,300). At the balance sheet date the amount due to Walberton Nursery LLP was £Nil (2015 - £Nil).

25 Financial instruments

Group
Financial assets measured at fair value total £Nil (2015: £Nil). Financial assets measured at amortised cost total £Nil (2015: £Nil). Financial assets measured at cost less impairment total £163,749 (2015: £164,001). Financial liabilities measured at fair value total £Nil (2015: £Nil). Financial liabilities measured at amortised cost total £894,594 (2015: £1,132,216). Financial liabilities measured at cost less impairment total £Nil (2015: £Nil).

Company
Financial assets measured at fair value total £Nil (2015: £Nil). Financial assets measured at amortised cost total £Nil (2015: £Nil). Financial assets measured at cost less impairment total £103,749 (2015: £104,001). Financial liabilities measured at fair value total £Nil (2015: £Nil). Financial liabilities measured at amortised cost total £894,594 (2015: £1,132,216). Financial liabilities measured at cost less impairment total £624,030 (2015: £712,357).

26 Profit attributable to the company

The profit for the financial period dealt with in the financial statements of the parent company was £249,396. As permitted by section 408 of the Companies Act 2006 no separate profit and loss account or statement of comprehensive income is presented in respect of the company.

27 Transition to FRS 102

Group

The effect of transition from UK GAAP to FRS 102 is outlined below:

a) Changes in accounting policies; there have been no consequential changes resulting from the adoption of FRS 102.

b) Reconciliation of equity shareholders' funds; there were no adjustments to previously reported balances resulting from the adoption of FRS 102.

c) Reconciliation of comparative period profit and loss; there were no adjustments to the previously reported profit and loss resulting from the adoption of FRS 102.

Company

The effect of transition from UK GAAP to FRS 102 is outlined below:

a) Changes in accounting policies; there have been no consequential changes resulting from the adoption of FRS 102.

b) Reconciliation of equity shareholders' funds; there were no adjustments to previously reported balances resulting from the adoption of FRS 102.

c) Reconciliation of comparative period profit and loss; there were no adjustments to the previously reported profit and loss resulting from the adoption of FRS 102.