

Burston Nurseries plc

FINANCIAL STATEMENTS

For the year ended 31st December 2012

GILBERTS

CHARTERED ACCOUNTANTS
AND BUSINESS ADVISERS

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Burston Nurseries plc

FINANCIAL STATEMENTS

Year ended 31st December 2012

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Burston Nurseries plc

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

J W Pearson
Mrs E Pearson
Mrs E M Priestland
P W Young
J Alcaraz

Company secretary

Mrs E Pearson

Registered office

North Orbital Road
St Albans
Hertfordshire
AL2 2DS

Auditor

Gilberts
Chartered Accountants
& Statutory Auditor
Pendragon House
65 London Road
St Albans
Hertfordshire
AL1 1LJ

Company registration number

00751657

Burston Nurseries plc

THE DIRECTORS' REPORT

Year ended 31st December 2012

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31st December 2012

Principal activities and business review

The principal activity of the company continued to be that of growers and wholesalers of plants

The directors are satisfied with the company's performance during the year

Principal risks and uncertainties

The Company operates in a competitive market which can be affected by factors such as a fall in economic growth and the effect of poor weather conditions

Results and dividends

The loss for the year amounted to £70,902 Particulars of dividends paid are detailed in note 8 to the financial statements

Key performance indicators

The Company's performance is measured by the directors with reference to monthly sales The company's turnover during the year was £2,325,541 (2011 - £2,720,013) which generated an operating loss of £75,780 (2011 - £77,603 profit)

Directors

The directors who served the company during the year were as follows

J W Pearson
Mrs E Pearson
Mrs E M Priestland
P W Young
J Alcaraz

Policy on the payment of creditors

Due to the nature of the company's business, the contractual relationship with suppliers of goods and services vary according to circumstances It is the company's policy to enter into an appropriate form of contractual agreement on payment terms and to pay according to those terms

Directors' responsibilities

The directors are responsible for preparing 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 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 year

In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,

Burston Nurseries plc

THE DIRECTORS' REPORT *(continued)*

Year ended 31st December 2012

- 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,
- 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.

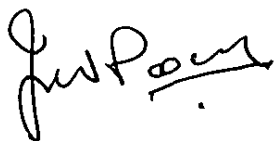
In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Gilberts are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Signed on behalf of the directors



Mr J W Pearson
Director

Approved by the directors on 17th May 2013

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BURSTON NURSERIES PLC

We have audited the financial statements of Burston Nurseries Plc for the year ended 31st December 2012. 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).

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders 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' Responsibilities Statement set out on pages 2 to 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.

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 annual report to identify material inconsistencies with the audited financial statements. 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 31st December 2012 and of its loss 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 matters prescribed by the Companies Act 2006

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

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, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report.

AMANDA RUGGLES (Senior Statutory Auditor)

For and on behalf of Gilberts Chartered Accountants & Statutory Auditor
Pendragon House, 65 London Road, St Albans, Hertfordshire, AL1 1LJ
17th May 2013

Burston Nurseries plc

PROFIT AND LOSS ACCOUNT

Year ended 31st December 2012

	Note	2012 £	2011 £
Turnover	2	2,325,541	2,720,013
Cost of sales		1,723,689	1,890,036
Gross profit		601,852	829,977
Administrative expenses		709,106	772,294
Other operating income		31,474	19,920
Operating (loss)/profit	3	(75,780)	77,603
Interest receivable		213	275
Interest payable and similar charges	6	2,884	3,184
(Loss)/profit on ordinary activities before taxation		(78,451)	74,694
Tax on (loss)/profit on ordinary activities	7	(7,549)	15,316
(Loss)/profit for the financial year		(70,902)	59,378

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

The notes on pages 8 to 15 form part of these financial statements


Burston Nurseries plc

BALANCE SHEET

31st December 2012

	Note	2012 £	2011 £
Fixed assets			
Tangible assets	9	<u>204,767</u>	<u>226,759</u>
Current assets			
Stocks	10	550,489	486,179
Debtors	11	216,327	247,116
Cash at bank and in hand		<u>212,002</u>	<u>311,033</u>
		<u>978,818</u>	<u>1,044,328</u>
Creditors: Amounts falling due within one year	12	<u>306,193</u>	<u>308,672</u>
Net current assets		<u>672,625</u>	<u>735,656</u>
Total assets less current liabilities		<u>877,392</u>	<u>962,415</u>
Creditors: Amounts falling due after more than one year	13	<u>21,952</u>	<u>11,073</u>
		<u><u>855,440</u></u>	<u><u>951,342</u></u>
Capital and reserves			
Called-up equity share capital	17	50,000	50,000
Profit and loss account	18	805,440	901,342
Shareholders' funds	19	<u><u>855,440</u></u>	<u><u>951,342</u></u>

These financial statements were approved by the directors and authorised for issue on 17th May 2013, and are signed on their behalf by


Mr J W Pearson

Mrs E Pearson 


Mrs E Priestland

Company Registration Number 00751657

Burston Nurseries plc

CASH FLOW STATEMENT

Year ended 31st December 2012

	Note	2012 £	2011 £
Net cash (outflow)/inflow from operating activities	20	(36,290)	135,086
Returns on investments and servicing of finance	20	(2,671)	(2,909)
Taxation	20	(15,316)	(14,932)
Capital expenditure and financial investment	20	(32,657)	(55,449)
Equity dividends paid		(25,000)	(25,000)
Cash (outflow)/inflow before financing		<u>(111,934)</u>	<u>36,796</u>
Financing	20	(20,109)	(15,459)
(Decrease)/increase in cash	20	<u>(132,043)</u>	<u>21,337</u>

The notes on pages 8 to 15 form part of these financial statements.

Burston Nurseries plc

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st December 2012

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

Turnover

The turnover shown in the profit and loss account represents amounts receivable during the year, exclusive of Value Added Tax

Fixed assets

All fixed assets are initially recorded at cost

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Agricultural buildings	- 7.5% on cost
Plant and machinery	- 15% on cost
Motor vehicles	- 25% on cost
Office equipment and fittings	- 15% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account at a constant rate of charge on the balance of capital repayments outstanding.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Financial instruments

Trade and other debtors are recognised and carried forward at invoiced amounts less provisions for any doubtful debts. Bad debts are written off and identified.

Cash and cash equivalents are included in the balance sheet at cost. Cash and cash equivalents comprise cash at bank and in hand and short term deposits with an original maturity of three months or less.

Trade and other creditors are recognised and carried forward at invoiced amounts.

Burston Nurseries plc

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st December 2012

1. Accounting policies *(continued)*

Auditor services

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements

2 Turnover

The turnover and loss before tax are attributable to the one principal activity of the company

An analysis of turnover is given below

	2012 £	2011 £
United Kingdom	<u>2,325,541</u>	<u>2,720,013</u>

3. Operating (loss)/profit

Operating (loss)/profit is stated after charging

	2012 £	2011 £
Depreciation of owned fixed assets	60,641	63,883
Depreciation of assets held under hire purchase agreements	27,016	17,973
Loss on disposal of fixed assets	4	–
Auditor's remuneration		
- as auditor	8,500	8,500
- for other services	36,514	36,900
Operating lease costs		
- Plant and equipment	<u>28,960</u>	<u>36,335</u>

4 Particulars of employees

The average number of staff employed by the company during the financial year amounted to

	2012 No	2011 No
Number of production staff	34	33
Number of administrative staff	4	3
Number of management staff	5	5
	<u>43</u>	<u>41</u>

The aggregate payroll costs of the above were

	2012 £	2011 £
Wages and salaries	822,938	832,375
Social security costs	77,544	82,909
Staff pension costs	615	758
Directors pension costs	21,500	21,500
	<u>922,597</u>	<u>937,542</u>

Burston Nurseries plc

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st December 2012

5. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services were

	2012	2011
	£	£
Remuneration receivable	185,131	207,380
Value of company pension contributions to money purchase schemes	21,500	21,500
	<u>206,631</u>	<u>228,880</u>

The number of directors who accrued benefits under company pension schemes was as follows

	2012	2011
	No	No
Money purchase schemes	<u>2</u>	<u>2</u>

6. Interest payable and similar charges

	2012	2011
	£	£
Interest payable on bank borrowing	37	212
Finance charges	2,767	1,995
Other similar charges payable	80	977
	<u>2,884</u>	<u>3,184</u>

7. Taxation on ordinary activities

(a) Analysis of charge in the year

	2012	2011
	£	£
Current tax		
UK Corporation tax based on the results for the year	(7,549)	15,316
Total current tax	<u>(7,549)</u>	<u>15,316</u>

(b) Factors affecting current tax charge

The tax assessed on the (loss)/profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 20% (2011 - 20 25%)

	2012	2011
	£	£
(Loss)/profit on ordinary activities before taxation	<u>(78,451)</u>	<u>74,694</u>
(Loss)/profit on ordinary activities by rate of tax	(15,690)	15,126
Depreciation and profit on disposal	17,532	16,573
Capital allowances	(9,322)	(16,392)
Expenses not allowed for tax	22	9
Adjustments to tax charge in respect of previous periods	(91)	-
Total current tax (note 7(a))	<u>(7,549)</u>	<u>15,316</u>

Burston Nurseries plc

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st December 2012

8. Dividends

Equity dividends

	2012 £	2011 £
Paid		
Equity dividends on ordinary shares	<u>25,000</u>	<u>25,000</u>

9. Tangible fixed assets

	Agricultural buildings £	Plant and machinery £	Motor vehicles £	Equipment £	Total £
Cost					
At 1 January 2012	1,349,418	1,046,039	265,156	84,561	2,745,174
Additions	2,200	18,493	44,016	960	65,669
Disposals	–	(20,419)	–	–	(20,419)
At 31 December 2012	<u>1,351,618</u>	<u>1,044,113</u>	<u>309,172</u>	<u>85,521</u>	<u>2,790,424</u>
Depreciation					
At 1 January 2012	1,250,939	959,820	241,400	66,256	2,518,415
Charge for the year	34,421	21,723	27,016	4,497	87,657
On disposals	–	(20,415)	–	–	(20,415)
At 31 December 2012	<u>1,285,360</u>	<u>961,128</u>	<u>268,416</u>	<u>70,753</u>	<u>2,585,657</u>
Net book value					
At 31 December 2012	<u>66,258</u>	<u>82,985</u>	<u>40,756</u>	<u>14,768</u>	<u>204,767</u>
At 31 December 2011	<u>98,479</u>	<u>86,219</u>	<u>23,756</u>	<u>18,305</u>	<u>226,759</u>

Hire purchase agreements

Included within the net book value of £204,767 is £40,749 (2011 - £23,749) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £27,016 (2011 - £17,973).

10. Stocks

	2012 £	2011 £
Stock	<u>550,489</u>	<u>486,179</u>

Burston Nurseries plc

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st December 2012

11. Debtors

	2012	2011
	£	£
Trade debtors	137,006	187,508
Corporation tax repayable	7,549	—
Other debtors	26,189	13,975
Prepayments and accrued income	45,583	45,633
	<u>216,327</u>	<u>247,116</u>

12 Creditors: Amounts falling due within one year

	2012	2011
	£	£
Trade creditors	197,823	165,243
Corporation tax	—	15,316
Other taxation and social security	16,209	24,679
Hire purchase agreements	17,356	15,332
Other creditors	11,093	10,817
Accruals and deferred income	63,712	77,285
	<u>306,193</u>	<u>308,672</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company

	2012	2011
	£	£
Hire purchase secured on the assets concerned	<u>17,356</u>	<u>15,332</u>

The bank overdraft is secured by way of a debenture giving a fixed and floating charge over the assets of the Company

13. Creditors Amounts falling due after more than one year

	2012	2011
	£	£
Hire purchase agreements	<u>21,952</u>	<u>11,073</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company

	2012	2011
	£	£
Hire purchase secured on the assets concerned	<u>21,952</u>	<u>11,073</u>

Burston Nurseries plc

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st December 2012

14. Commitments under hire purchase agreements

Future commitments under hire purchase agreements are as follows

	2012	2011
	£	£
Amounts payable within 1 year	17,356	15,332
Amounts payable between 2 to 5 years	21,952	11,073
	<u>39,308</u>	<u>26,405</u>
Hire purchase agreements are analysed as follows		
Current obligations	17,356	15,332
Non-current obligations	21,952	11,073
	<u>39,308</u>	<u>26,405</u>

15. Commitments under operating leases

At 31st December 2012 the company had annual commitments under non-cancellable operating leases as set out below

	Land and buildings	
	2012	2011
	£	£
Operating leases which expire		
After more than 5 years	<u>30,000</u>	<u>30,000</u>

16. Related party transactions

During the year the Company made sales of £97,861 (2011 - £107,522) to Burston Rose and Garden Centre Limited, a company under the same control

17. Share capital

Allotted, called up and fully paid

	2012		2011	
	No	£	No	£
50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>

18 Profit and loss account

	2012	2011
	£	£
Balance brought forward	901,342	866,964
(Loss)/profit for the financial year	(70,902)	59,378
Equity dividends	(25,000)	(25,000)
Balance carried forward	<u>805,440</u>	<u>901,342</u>

Burston Nurseries plc

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st December 2012

19. Reconciliation of movements in shareholders' funds

	2012 £	2011 £
(Loss)/Profit for the financial year	(70,902)	59,378
Equity dividends	(25,000)	(25,000)
Net (reduction)/addition to shareholders' funds	(95,902)	34,378
Opening shareholders' funds	951,342	916,964
Closing shareholders' funds	855,440	951,342

20. Notes to the cash flow statement

Reconciliation of operating (loss)/profit to net cash (outflow)/inflow from operating activities

	2012 £	2011 £
Operating (loss)/profit	(75,780)	77,603
Depreciation	87,657	81,856
Loss on disposal of fixed assets	4	—
(Increase)/decrease in stocks	(64,310)	51,359
Decrease/(increase) in debtors	38,338	(82,593)
(Decrease)/increase in creditors	(22,199)	6,861
Net cash (outflow)/inflow from operating activities	(36,290)	135,086

Returns on investments and servicing of finance

	2012 £	2011 £
Interest received	213	275
Interest paid	(117)	(1,189)
Interest element of hire purchase	(2,767)	(1,995)
Net cash outflow from returns on investments and servicing of finance	(2,671)	(2,909)

Taxation

	2012 £	2011 £
Taxation	(15,316)	(14,932)

Capital expenditure

	2012 £	2011 £
Payments to acquire tangible fixed assets	(32,657)	(55,449)
Net cash outflow from capital expenditure	(32,657)	(55,449)

Burston Nurseries plc

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st December 2012

20. Notes to the cash flow statement *(continued)*

Financing

	2012 £	2011 £
Capital element of hire purchase	(20,109)	(15,459)
Net cash outflow from financing	<u>(20,109)</u>	<u>(15,459)</u>

Reconciliation of net cash flow to movement in net funds

	2012 £	2011 £
(Decrease)/increase in cash in the period	(132,043)	21,337
Cash outflow in respect of hire purchase	<u>20,109</u>	<u>15,459</u>
	<u>(111,934)</u>	<u>36,796</u>
Change in net funds	(111,934)	36,796
Net funds at 1 January 2012	<u>284,628</u>	<u>247,832</u>
Net funds at 31 December 2012	<u>172,694</u>	<u>284,628</u>

Analysis of changes in net funds

	At 1 Jan 2012 £	Cash flows £	At 31 Dec 2012 £
Net cash			
Cash in hand and at bank	<u>311,033</u>	<u>(99,031)</u>	<u>212,002</u>
Debt			
Hire purchase agreements	<u>(26,405)</u>	<u>(12,903)</u>	<u>(39,308)</u>
Net funds	<u>284,628</u>	<u>(111,934)</u>	<u>172,694</u>