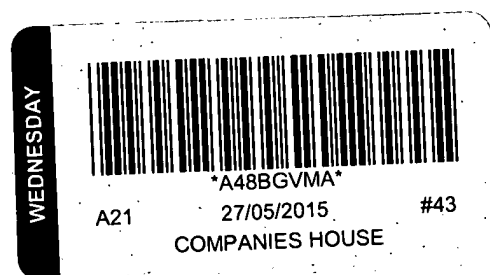


Burston Nurseries plc

FINANCIAL STATEMENTS

For the year ended 31st December 2014



GILBERTS
CHARTERED ACCOUNTANTS
AND BUSINESS ADVISERS

Burston Nurseries plc

FINANCIAL STATEMENTS

Year ended 31st December 2014

CONTENTS	PAGES
Officers and professional advisers	1
Strategic report	2
Directors' report	3 to 4
Independent auditor's report to the shareholders	5
Profit and loss account	6
Balance sheet	7
Cash flow statement	8
Notes to the financial statements	9 to 16
The following pages do not form part of the financial statements	
Detailed profit and loss account	17 to 18
Notes to the detailed profit and loss account	19

Burston Nurseries plc

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

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

STRATEGIC REPORT

Year ended 31st December 2014

Business review

Both a recovering economy and more consistent weather have assisted the Company to return to profit in the period. The Company has made significant investment in its infrastructure this year and believes this, combined with the continued positive economic outlook, should see the Company continue to improve its performance.


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 unfavourable weather conditions.

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 £2,582,789 (2013 - £2,319,823) which generated an operating profit of £36,055 (2013 - loss of £150,460).

Signed on behalf of the directors


Mr J W E Pearson
Director

Approved by the directors on 21st May 2015

Burston Nurseries plc

DIRECTORS' REPORT

Year ended 31st December 2014

The directors present their report and the financial statements of the Company for the year ended 31st December 2014.

Results and dividends

The profit for the year amounted to £36,055. The directors have not recommended a dividend.

Directors

The directors who served the Company during the year were as follows:

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

Directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 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;
- 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.

Strategic report

A review of the Company's performance during the year, the principal risks and uncertainties it faces and its future prospects are included in the Strategic Report which should be read in conjunction with this Directors' Report.

Burston Nurseries plc

DIRECTORS' REPORT *(continued)*

Year ended 31st December 2014

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Signed on behalf of the directors

Mr J W E Pearson
Director

Approved by the directors on 21st May 2015

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 2014. 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 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 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31st December 2014 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.

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.

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
21st May 2015

Burston Nurseries plc

PROFIT AND LOSS ACCOUNT

Year ended 31st December 2014

	Note	2014 £	2013 £
Turnover	2	2,582,789	2,319,823
Cost of sales		1,898,443	1,815,391
Gross profit		684,346	504,432
Administrative expenses		678,250	687,122
Other operating income		(34,920)	(34,971)
Operating profit/(loss)	3	41,016	(147,719)
Interest receivable		31	100
Interest payable and similar charges	6	(4,992)	(2,840)
Profit/(loss) on ordinary activities before taxation		36,055	(150,459)
Tax on profit/(loss) on ordinary activities	7	–	–
Profit/(loss) for the financial year		36,055	(150,459)

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 9 to 16 form part of these financial statements.

Burston Nurseries plc

BALANCE SHEET

31st December 2014

	Note	2014 £	2013 £
Fixed assets			
Tangible assets	8	<u>377,122</u>	<u>171,904</u>
Current assets			
Stocks	9	578,616	500,702
Debtors	10	144,559	185,358
Cash at bank and in hand		<u>49,820</u>	<u>153,727</u>
		<u>772,995</u>	<u>839,787</u>
Creditors: Amounts falling due within one year	11	<u>400,574</u>	<u>291,301</u>
Net current assets		<u>372,421</u>	<u>548,486</u>
Total assets less current liabilities		<u>749,543</u>	<u>720,390</u>
Creditors: Amounts falling due after more than one year	12	<u>8,507</u>	<u>15,409</u>
		<u>741,036</u>	<u>704,981</u>
Capital and reserves			
Called-up equity share capital	16	50,000	50,000
Profit and loss account	17	691,036	654,981
Shareholders' funds	18	<u>741,036</u>	<u>704,981</u>

These accounts were approved by the directors and authorised for issue on 21st May 2015, and are signed on their behalf by:

Mr J W E Pearson



Mrs E Pearson



Mrs E M Priestland



Company Registration Number: 00751657

The notes on pages 9 to 16 form part of these financial statements.

Burston Nurseries plc

CASH FLOW STATEMENT

Year ended 31st December 2014

	Note	2014 £	2013 £
Net cash inflow/(outflow) from operating activities	18	154,940	(21,387)
Returns on investments and servicing of finance	18	(4,961)	(2,740)
Taxation	18	–	7,549
Capital expenditure and financial investment	18	(247,344)	(24,340)
Cash outflow before financing		<u>(97,365)</u>	<u>(40,918)</u>
Financing	18	(6,542)	(17,357)
Decrease in cash	18	<u>(103,907)</u>	<u>(58,275)</u>

The notes on pages 9 to 16 form part of these financial statements.

Burston Nurseries plc

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st December 2014

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 when 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 2014

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

An analysis of turnover is given below:

	2014	2013
	£	£
United Kingdom	<u>2,582,789</u>	<u>2,319,823</u>

3. Operating profit/(loss)

Operating profit/(loss) is stated after charging/(crediting):

	2014	2013
	£	£
Depreciation of owned fixed assets	38,612	50,841
Depreciation of assets held under hire purchase agreements	11,004	11,004
Profit on disposal of fixed assets	(7,490)	(4,642)
Auditor's remuneration		
- as auditor	8,500	8,500
- for other services	33,465	31,513
Operating lease costs:		
- Plant and equipment	<u>30,634</u>	<u>28,103</u>

4. Particulars of employees

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

	2014	2013
	No	No
Number of production staff	34	33
Number of administrative staff	2	3
Number of management staff	5	5
	<u>41</u>	<u>41</u>

The aggregate payroll costs of the above were:

	2014	2013
	£	£
Wages and salaries	826,316	806,077
Social security costs	74,426	75,769
Staff pension costs	615	615
Directors pension costs	23,000	21,500
	<u>924,357</u>	<u>903,961</u>

Burston Nurseries plc

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st December 2014

5. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services were:

	2014	2013
	£	£
Remuneration receivable	231,041	237,081
Value of company pension contributions to money purchase schemes	23,000	21,500
	<u>254,041</u>	<u>258,581</u>

Remuneration of highest paid director:

	2014	2013
	£	£
Total remuneration (excluding pension contributions)	74,893	73,397
Value of company pension contributions to money purchase schemes	18,000	18,000
	<u>92,893</u>	<u>91,397</u>

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

	2014	2013
	No	No
Money purchase schemes	<u>2</u>	<u>2</u>

6. Interest payable and similar charges

	2014	2013
	£	£
Interest payable on bank borrowing	3,518	1,094
Finance charges	974	1,705
Other similar charges payable	500	41
	<u>4,992</u>	<u>2,840</u>

7. Taxation on ordinary activities

(a) Analysis of charge in the year

	2014	2013
	£	£
Current tax:		
UK Corporation tax based on the results for the year	-	-
Total current tax	<u>-</u>	<u>-</u>

(b) Factors that may affect future tax charges

The Company has unrelieved tax losses which have been carried forward.

Burston Nurseries plc

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st December 2014

8. Tangible fixed assets

	Agricultural buildings £	Plant and machinery £	Motor vehicles £	Equipment £	Total £
Cost					
At 1 January 2014	1,346,468	1,041,988	184,326	61,928	2,634,710
Additions	57,898	196,443	–	500	254,841
Disposals	–	(38,994)	(48,916)	–	(87,910)
At 31 December 2014	1,404,366	1,199,437	135,410	62,428	2,801,641
Depreciation					
At 1 January 2014	1,277,123	975,111	160,033	50,539	2,462,806
Charge for the year	11,696	20,885	12,367	4,668	49,616
On disposals	–	(38,988)	(48,915)	–	(87,903)
At 31 December 2014	1,288,819	957,008	123,485	55,207	2,424,519
Net book value					
At 31 December 2014	115,547	242,429	11,925	7,221	377,122
At 31 December 2013	69,345	66,877	24,293	11,389	171,904

Hire purchase agreements

Included within the net book value of £377,122 is £11,921 (2013 - £22,925) 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 £11,004 (2013 - £11,004).

9. Stocks

	2014 £	2013 £
Stock	578,616	500,702

10. Debtors

	2014 £	2013 £
Trade debtors	70,092	113,917
Other debtors	47,625	22,689
Prepayments and accrued income	26,842	48,752
	144,559	185,358

Burston Nurseries plc

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st December 2014

11. Creditors: Amounts falling due within one year

	2014	2013
	£	£
Trade creditors	242,719	210,701
Other taxation and social security	15,119	15,594
Hire purchase agreements	6,902	6,542
Other creditors	7,159	4,993
Accruals and deferred income	128,675	53,471
	<u>400,574</u>	<u>291,301</u>

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

	2014	2013
	£	£
Hire purchase: secured on the assets concerned	<u>6,902</u>	<u>4,993</u>

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

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

	2014	2013
	£	£
Hire purchase agreements	<u>8,507</u>	<u>15,409</u>

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

	2014	2013
	£	£
Hire purchase: secured on the assets concerned	<u>8,507</u>	<u>15,409</u>

13. Commitments under hire purchase agreements

Future commitments under hire purchase agreements are as follows:

	2014	2013
	£	£
Hire purchase agreements are analysed as follows:		
Current obligations	6,902	6,542
Non-current obligations	8,507	15,409
	<u>15,409</u>	<u>21,951</u>

Burston Nurseries plc

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st December 2014

14. Commitments under operating leases

At 31st December 2014 the Company had annual commitments under non-cancellable operating leases as set out below.

	2014		2013	
	Land and buildings £	Other Items £	Land and buildings £	Other Items £
Operating leases which expire:				
Within 2 to 5 years	-	3,319	-	3,319
After more than 5 years	30,000	-	30,000	-
	<u>30,000</u>	<u>3,319</u>	<u>30,000</u>	<u>3,319</u>

15. Related party transactions

During the year the Company made sales of £98,596 (2013 - £83,027) to Burston Rose and Garden Centre Limited, a company under common control.

At the year end the Company was owed £11,962 (2013 - £8,050) by Mr J W E Pearson, a director and shareholder of the Company.

16. Share capital

Allotted, called up and fully paid:

	2014		2013	
	No	£	No	£
Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>

17. Profit and loss account

	2014 £	2013 £
Balance brought forward	654,981	805,440
Profit/(loss) for the financial year	<u>36,055</u>	<u>(150,459)</u>
Balance carried forward	<u>691,036</u>	<u>654,981</u>

18. Reconciliation of movements in shareholders' funds

	2014 £	2013 £
Profit/(Loss) for the financial year	36,055	(150,459)
Opening shareholders' funds	<u>704,981</u>	<u>855,440</u>
Closing shareholders' funds	<u>741,036</u>	<u>704,981</u>

Burston Nurseries plc

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st December 2014

19. Notes to the cash flow statement

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

	2014 £	2013 £
Operating profit/(loss)	41,016	(147,719)
Depreciation	49,616	61,845
Profit on disposal of fixed assets	(7,490)	(4,642)
(Increase)/decrease in stocks	(77,914)	49,787
Decrease in debtors	40,799	23,420
Increase/(decrease) in creditors	108,913	(4,078)
Net cash inflow/(outflow) from operating activities	<u>154,940</u>	<u>(21,387)</u>

Returns on investments and servicing of finance

	2014 £	2013 £
Interest received	31	100
Interest paid	(4,018)	(1,135)
Interest element of hire purchase	(974)	(1,705)
Net cash outflow from returns on investments and servicing of finance	<u>(4,961)</u>	<u>(2,740)</u>

Taxation

	2014 £	2013 £
Taxation	<u>-</u>	<u>7,549</u>

Capital expenditure

	2014 £	2013 £
Payments to acquire tangible fixed assets	(254,841)	(29,840)
Receipts from sale of fixed assets	7,497	5,500
Net cash outflow from capital expenditure	<u>(247,344)</u>	<u>(24,340)</u>

Financing

	2014 £	2013 £
Capital element of hire purchase	(6,542)	(17,357)
Net cash outflow from financing	<u>(6,542)</u>	<u>(17,357)</u>

Burston Nurseries plc

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st December 2014

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

Reconciliation of net cash flow to movement in net funds

	2014 £	2013 £
Decrease in cash in the period	(103,907)	(58,275)
Cash outflow in respect of hire purchase	6,542	17,357
	<u>(97,365)</u>	<u>(40,918)</u>
Change in net funds	(97,365)	(40,918)
Net funds at 1 January 2014	131,776	172,694
Net funds at 31 December 2014	<u>34,411</u>	<u>131,776</u>

Analysis of changes in net funds

	At 1 Jan 2014 £	Cash flows £	At 31 Dec 2014 £
Net cash:			
Cash in hand and at bank	153,727	(103,907)	49,820
Debt:			
Hire purchase agreements	(21,951)	6,542	(15,409)
Net funds	<u>131,776</u>	<u>(97,365)</u>	<u>34,411</u>