

**FAKENHAM GARDEN CENTRE LIMITED**

**UNAUDITED**

**DIRECTORS' REPORT & FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2022**

**FAKENHAM GARDEN CENTRE LIMITED**  
**REGISTERED NUMBER:03810644**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 AUGUST 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	5	151,357	196,221
Investments	6	50	50
		<u>151,407</u>	<u>196,271</u>
<b>Current assets</b>			
Stocks		824,645	501,175
Debtors: amounts falling due after more than one year	7	11,136	11,136
Debtors: amounts falling due within one year	7	81,933	123,735
Cash at bank and in hand	8	363,841	462,070
		<u>1,281,555</u>	<u>1,098,116</u>
Creditors: amounts falling due within one year	9	(699,033)	(593,622)
<b>Net current assets</b>		<u>582,522</u>	<u>504,494</u>
<b>Total assets less current liabilities</b>		<u>733,929</u>	<u>700,765</u>
Creditors: amounts falling due after more than one year	10	(145,600)	(203,360)
<b>Provisions for liabilities</b>			
Deferred tax		(33,430)	(44,648)
		<u>(33,430)</u>	<u>(44,648)</u>
<b>Net assets</b>		<u><u>554,899</u></u>	<u><u>452,757</u></u>
<b>Capital and reserves</b>			
Called up share capital		104	104
Share premium account		159,576	159,576
Capital redemption reserve		20	20
Profit and loss account		395,199	293,057
		<u>554,899</u>	<u>452,757</u>

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**FAKENHAM GARDEN CENTRE LIMITED**  
**REGISTERED NUMBER:03810644**

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**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 AUGUST 2022**

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The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the income statement in accordance with provisions applicable to companies subject to the small companies' regime.

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

.....  
**G W Turner**  
Director

.....  
**M J Turner**  
Director

Date: 31 March 2023

The notes on pages 3 to 14 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

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**1. General information**

Fakenham Garden Centre Limited is a private company limited by shares and incorporated in England and Wales, registration number 03810644. The registered office is Mill Road, Hempton, Fakenham, Norfolk, NR21 7LH.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

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

**2.2 Going concern**

The Directors have considered the Company's position at the time of signing the financial statements, and in particular the effects on the Company of the wider economy. As part of their assessment, they have taken into consideration a number of possible trading performance, profitability and cash flow scenarios.

Based on this, the Directors have concluded that they have a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future, being at least twelve months from the date of signing these financial statements, and they therefore continue to adopt the going concern basis of accounting in preparing these financial statements.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022

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**2. Accounting policies (continued)**

**2.3 Turnover**

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

**Sale of goods**

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

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Rendering of services**

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**2.4 Operating leases: the Company as lessee**

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

**2.5 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Income statement in the same period as the related expenditure.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022

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**2. Accounting policies (continued)**

**2.6 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

**2.7 Finance costs**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.8 Borrowing costs**

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

**2.9 Pensions**

**Defined contribution pension plan**

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

**2.10 Current and deferred taxation**

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

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022

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**2. Accounting policies (continued)**

**2.11 Intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

**2.12 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Land & buildings - leasehold	- 10yrs/5yrs straight line
Motor vehicles	- 25% reducing balance
Fixtures & fittings	- 25%/15% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

**2.13 Valuation of investments**

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in the Income statement for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

**2.14 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022

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**2. Accounting policies (continued)**

**2.15 Debtors**

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.16 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.17 Creditors**

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.18 Holiday pay accrual**

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

**2.19 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

**2.20 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

**2.21 Dividends**

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



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**FAKENHAM GARDEN CENTRE LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

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**3. Employees**

The average monthly number of employees, including directors, during the year was 49 (2021 - 59).

**4. Intangible assets**

	Goodwill £	Negative goodwill £	Total £
<b>Cost</b>			
At 1 September 2021	317,500	(369,159)	(51,659)
	<hr/>	<hr/>	<hr/>
At 31 August 2022	317,500	(369,159)	(51,659)
	<hr/>	<hr/>	<hr/>
<b>Amortisation</b>			
At 1 September 2021	317,500	(369,159)	(51,659)
	<hr/>	<hr/>	<hr/>
At 31 August 2022	317,500	(369,159)	(51,659)
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 31 August 2022	<hr/> <hr/> -	<hr/> <hr/> -	<hr/> <hr/> -
<b>At 31 August 2021</b>	<hr/> <hr/> -	<hr/> <hr/> -	<hr/> <hr/> -

**FAKENHAM GARDEN CENTRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

**5. Tangible fixed assets**

	L/Term Leasehold Property £	Motor vehicles £	Fixtures & fittings £	Total £
<b>Cost or valuation</b>				
At 1 September 2021	75,742	107,485	704,278	887,505
Additions	-	-	23,102	23,102
Disposals	-	(2,000)	(343,152)	(345,152)
	<u>75,742</u>	<u>105,485</u>	<u>384,228</u>	<u>565,455</u>
At 31 August 2022	<u>75,742</u>	<u>105,485</u>	<u>384,228</u>	<u>565,455</u>
<b>Depreciation</b>				
At 1 September 2021	75,742	56,983	558,559	691,284
Charge for the year on owned assets	-	6,489	17,935	24,424
Charge for the year on financed assets	-	4,780	-	4,780
Disposals	-	(1,977)	(304,413)	(306,390)
	<u>75,742</u>	<u>66,275</u>	<u>272,081</u>	<u>414,098</u>
At 31 August 2022	<u>75,742</u>	<u>66,275</u>	<u>272,081</u>	<u>414,098</u>
<b>Net book value</b>				
At 31 August 2022	<u>-</u>	<u>39,210</u>	<u>112,147</u>	<u>151,357</u>
<b>At 31 August 2021</b>	<u>-</u>	<u>50,502</u>	<u>145,719</u>	<u>196,221</u>

**6. Fixed asset investments**

	Unlisted investments £
<b>Cost or valuation</b>	
At 1 September 2021	50
	<u>50</u>
At 31 August 2022	<u>50</u>

**FAKENHAM GARDEN CENTRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

**7. Debtors**

	2022 £	2021 £
<b>Due after more than one year</b>		
Other debtors	11,136	11,136
	<u>11,136</u>	<u>11,136</u>
	2022 £	2021 £
<b>Due within one year</b>		
Trade debtors	66,405	90,111
Other debtors	3,681	30,209
Prepayments and accrued income	11,847	3,415
	<u>81,933</u>	<u>123,735</u>

**8. Cash and cash equivalents**

	2022 £	2021 £
Cash at bank and in hand	363,841	462,070
	<u>363,841</u>	<u>462,070</u>

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**FAKENHAM GARDEN CENTRE LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

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**9. Creditors: Amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Bank loans	<b>50,000</b>	<b>50,000</b>
Trade creditors	<b>424,013</b>	<b>313,573</b>
Corporation tax	<b>44,744</b>	<b>66,224</b>
Other taxation and social security	<b>69,597</b>	<b>65,945</b>
Obligations under finance lease and hire purchase contracts	<b>7,038</b>	<b>7,605</b>
Other creditors	<b>96,366</b>	<b>62,472</b>
Accruals and deferred income	<b>7,275</b>	<b>27,803</b>
	<b><u>699,033</u></b>	<b><u>593,622</u></b>

The following liabilities were secured:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Motor vehicles	<b>7,038</b>	<b>7,605</b>
Bank loans	<b>50,000</b>	<b>50,000</b>
	<b><u>57,038</u></b>	<b><u>57,605</u></b>

Details of security provided:

Net obligations under hire purchase contract are secured upon the assets to which they relate.

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**FAKENHAM GARDEN CENTRE LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

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**10. Creditors: Amounts falling due after more than one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Bank loans	<b>137,501</b>	<b>187,500</b>
Obligations under finance lease and hire purchase contracts	<b>8,099</b>	<b>15,860</b>
	<b><u>145,600</u></b>	<b><u>203,360</u></b>

The following liabilities were secured:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Motor vehicles	<b>8,099</b>	<b>15,861</b>
Bank loans	<b>137,502</b>	<b>187,500</b>
	<b><u>145,601</u></b>	<b><u>203,361</u></b>

Details of security provided:

Net obligations under hire purchase contract are secured upon the assets to which they relate.

**FAKENHAM GARDEN CENTRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

**11. Loans**

Analysis of the maturity of loans is given below:

	2022 £	2021 £
<b>Amounts falling due within one year</b>		
Bank loans	50,000	50,000
	<u>50,000</u>	<u>50,000</u>
<b>Amounts falling due 1-2 years</b>		
Bank loans	50,000	50,000
	<u>50,000</u>	<u>50,000</u>
<b>Amounts falling due 2-5 years</b>		
Bank loans	87,500	137,500
	<u>87,500</u>	<u>137,500</u>
	<u>187,500</u>	<u>237,500</u>

**12. Hire purchase and finance leases**

Minimum lease payments under hire purchase fall due as follows:

	2022 £	2021 £
Within one year	7,038	7,038
Between 1-5 years	8,098	15,861
	<u>15,136</u>	<u>22,899</u>

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**FAKENHAM GARDEN CENTRE LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

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**13. Transactions with directors**

At the year end, the following amounts were owed by the directors to the company :-

G W Turner & Mrs B M Turner - Nil (2021 - £14,736).

M J Turner - NIL (2021 - £1,621).

No repayment terms are in place. Interest is charged on overdrawn balances at the official rate applicable at the time.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.