

**REGISTERED NUMBER: 06414633 (England and Wales)**

**Unaudited Financial Statements**  
**for the Year Ended 31 December 2018**  
**for**  
**GRAHAMS GARDEN MACHINERY LTD**

Baldwins  
Accountants  
Unit A  
Woodlands Court  
Truro Business Park  
Truro  
Cornwall  
TR4 9NH

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for the year ended 31 December 2018**

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**GRAHAMS GARDEN MACHINERY LTD**

**Company Information  
for the year ended 31 December 2018**

**DIRECTORS:** G R Denslow  
J Denslow  
M J Gresty

**SECRETARY:** J Denslow

**REGISTERED OFFICE:** Brighton Cross  
Nr Truro  
Cornwall  
TR2 4HD

**REGISTERED NUMBER:** 06414633 (England and Wales)

**ACCOUNTANTS:** Baldwins  
Accountants  
Unit A  
Woodlands Court  
Truro Business Park  
Truro  
Cornwall  
TR4 9NH

**GRAHAMS GARDEN MACHINERY LTD (REGISTERED NUMBER: 06414633)**

**Balance Sheet  
31 December 2018**

	Notes	2018 £	£	2017 £	£
<b>FIXED ASSETS</b>					
Intangible assets	4		60,750		67,500
Tangible assets	5		<u>131,153</u>		<u>91,278</u>
			191,903		158,778
<b>CURRENT ASSETS</b>					
Stocks		124,109		123,570	
Debtors	6	68,078		82,515	
Cash at bank and in hand		<u>2,229</u>		<u>20,750</u>	
		194,416		226,835	
<b>CREDITORS</b>					
Amounts falling due within one year	7	<u>166,638</u>		<u>171,542</u>	
<b>NET CURRENT ASSETS</b>			<u>27,778</u>		<u>55,293</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			219,681		214,071
<b>CREDITORS</b>					
Amounts falling due after more than one year	8		(3,200)		(12,399)
<b>PROVISIONS FOR LIABILITIES</b>	11		<u>(13,230)</u>		<u>(12,848)</u>
<b>NET ASSETS</b>			<u>203,251</u>		<u>188,824</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital			3		3
Retained earnings			<u>203,248</u>		<u>188,821</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>203,251</u>		<u>188,824</u>

The notes on pages 4 to 9 form part of these financial statements

**Balance Sheet - continued  
31 December 2018**

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2018 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Statement of Comprehensive Income has not been delivered.

The financial statements were approved by the Board of Directors on 11 September 2019 and were signed on its behalf by:

J Denslow - Director

**Notes to the Financial Statements  
for the year ended 31 December 2018**

**1. STATUTORY INFORMATION**

Grahams Garden Machinery Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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

**Going concern**

The directors, after making enquiries and having considered the company's business, its financial plans and the facilities available to finance the business, have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the going concern basis is adopted in preparing the financial statements.

**Turnover**

Turnover represents the total invoice value of sales made during the period.

Revenue is measured at the fair value of the consideration received or receivable. Revenue from the sale of goods is recognised at the point of sale. Revenue from the provision of services is recognised as the services are performed.

**Goodwill**

Goodwill, being the amount paid in connection with the acquisition of business in 2008, is being amortised evenly over its estimated useful life of twenty years.

**Goodwill impairment**

The directors have considered the period of amortisation of the goodwill and believe the longevity of the business and its consistent turnover lead the period of 20 years to be considered reasonable. The directors will review the value of goodwill on an annual basis.

Notes to the Financial Statements - continued  
for the year ended 31 December 2018

2. ACCOUNTING POLICIES - continued

**Tangible fixed assets**

Tangible assets are initially measured at cost. Such costs include costs directly attributable to making the asset capable of operating as intended. Subsequent to initial recognition, tangible assets are stated at cost less accumulated depreciation and accumulated impairment.

Tangible assets are depreciated as follows:

Freehold land	- not depreciated
Leasehold improvements	- 5% straight line
Plant and machinery	- 15% straight line
Motor vehicles	- 25% straight line

**Impairment of fixed assets**

At each reporting end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

**Stocks**

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

**Notes to the Financial Statements - continued  
for the year ended 31 December 2018**

**2. ACCOUNTING POLICIES - continued**

**Financial instruments**

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

Financial assets and liabilities are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are classified into specified categories. The classification depends on the nature and purpose of the financial asset or liability and is determined at the time of recognition.

Basic financial assets, which include trade and other receivables, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitute a financing transaction, where the transaction is measure at the present value of the future receipts discounted at a market rate of interest.

Basic financial liabilities, which include trade and other payables are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

**Taxation**

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to the profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.



**Notes to the Financial Statements - continued  
for the year ended 31 December 2018**

**2. ACCOUNTING POLICIES - continued**

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 13 (2017 - 12 ) .

**4. INTANGIBLE FIXED ASSETS**

	Goodwill £
<b>COST</b>	
At 1 January 2018	
and 31 December 2018	<u>135,000</u>
<b>AMORTISATION</b>	
At 1 January 2018	67,500
Charge for year	<u>6,750</u>
At 31 December 2018	<u>74,250</u>
<b>NET BOOK VALUE</b>	
At 31 December 2018	<u>60,750</u>
At 31 December 2017	<u>67,500</u>

**5. TANGIBLE FIXED ASSETS**

	Freehold land £	Plant and machinery £	Leasehold Improvements £	Motor vehicles £	Totals £
<b>COST</b>					
At 1 January 2018	15,700	90,458	9,436	35,894	151,488
Additions	<u>37,627</u>	<u>19,067</u>	<u>860</u>	<u>-</u>	<u>57,554</u>
At 31 December 2018	<u>53,327</u>	<u>109,525</u>	<u>10,296</u>	<u>35,894</u>	<u>209,042</u>
<b>DEPRECIATION</b>					
At 1 January 2018	-	42,417	4,030	13,763	60,210
Charge for year	<u>-</u>	<u>11,004</u>	<u>475</u>	<u>6,200</u>	<u>17,679</u>
At 31 December 2018	<u>-</u>	<u>53,421</u>	<u>4,505</u>	<u>19,963</u>	<u>77,889</u>
<b>NET BOOK VALUE</b>					
At 31 December 2018	<u>53,327</u>	<u>56,104</u>	<u>5,791</u>	<u>15,931</u>	<u>131,153</u>
At 31 December 2017	<u>15,700</u>	<u>48,041</u>	<u>5,406</u>	<u>22,131</u>	<u>91,278</u>

**Notes to the Financial Statements - continued  
for the year ended 31 December 2018**

**5. TANGIBLE FIXED ASSETS - continued**

Included within the above are assets held under finance leases or hire purchase contracts as follows:

	<b>2018</b>		<b>2017</b>	
	<b>Net Book Value £</b>	<b>Depreciation Charge £</b>	<b>Net Book Value £</b>	<b>Depreciation Charge £</b>
Motor Vehicles	<u>15,931</u>	<u>6,200</u>	<u>22,131</u>	<u>2,666</u>

**6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2018 £	2017 £
Trade debtors	23,449	31,830
Other debtors	<u>44,629</u>	<u>50,685</u>
	<u>68,078</u>	<u>82,515</u>

**7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2018 £	2017 £
Hire purchase contracts (see note 9)	9,203	10,866
Trade creditors	114,010	128,106
Taxation and social security	27,227	18,659
Other creditors	<u>16,198</u>	<u>13,911</u>
	<u>166,638</u>	<u>171,542</u>

**8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2018 £	2017 £
Hire purchase contracts (see note 9)	<u>3,200</u>	<u>12,399</u>

**9. LEASING AGREEMENTS**

Minimum lease payments under hire purchase fall due as follows:

	2018 £	2017 £
Net obligations repayable:		
Within one year	9,203	10,866
Between one and five years	<u>3,200</u>	<u>12,399</u>
	<u>12,403</u>	<u>23,265</u>

**10. SECURED DEBTS**

The following secured debts are included within creditors:

	2018 £	2017 £
Hire purchase contracts	<u>12,403</u>	<u>23,265</u>

**Notes to the Financial Statements - continued  
for the year ended 31 December 2018**

**11. PROVISIONS FOR LIABILITIES**

	2018 £	2017 £
Deferred tax	<u>13,230</u>	<u>12,848</u>
		Deferred tax
		£
Balance at 1 January 2018		12,848
Movements in the year		<u>382</u>
Balance at 31 December 2018		<u>13,230</u>

**12. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to directors subsisted during the years ended 31 December 2018 and 31 December 2017:

	2018 £	2017 £
<b>G R Denslow and J Denslow</b>		
Balance outstanding at start of year	47,484	31,045
Amounts advanced	51,403	63,439
Amounts repaid	(58,793)	(47,000)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>40,094</u>	<u>47,484</u>

The above amount owed by the directors £40,094 (2017: £47,484) are repayable on demand and are included in Debtors: Amounts falling due within one year.

Interest has been charged on the overdrawn loan accounts at the rate of 2.5% (2018: 2.5%) per annum.

**13. RELATED PARTY DISCLOSURES**

At the balance sheet date, the company owed to the director M J Gresty £14,035 (2017: 11,881), which is included within Creditors: Amounts falling due within One Year.

Amount owed to the director is non interest bearing and payable on demand.

During the year the company incurred rental expenses of £5,793 (2017: £6,055) from G R Denslow and J Denslow.

**14. ULTIMATE CONTROLLING PARTY**

G R & J Denslow are the ultimate controlling party by virtue of their combined majority shareholding.

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.