

Company Registration No. SC079988 (Scotland)

**BERWICK-UPON-TWEED GARDEN CENTRE LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2019**

# BERWICK-UPON-TWEED GARDEN CENTRE LIMITED

## COMPANY INFORMATION

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**Directors** Mr N G Crabbie  
Mr N A F O Donaghey  
Mrs F C Kherian  
Mrs K S Crabbie

**Secretary** Mrs G I C T Crabbie

**Company number** SC079988

**Registered office** Westerside Farm  
Coldingham  
Eyemouth  
Berwickshire  
TD14 5QE

**Auditor** Greaves West & Ayre  
17 Walkergate  
Berwick-upon-Tweed  
Northumberland  
TD15 1DJ

**Bankers** Clydesdale Bank Plc  
83 George Street  
Edinburgh  
EH2 3ES

**Solicitors** Lindsays  
Caledonian Exchange  
19A Canning Street  
Edinburgh  
EH3 8HE

T C Smith Solicitors  
9 Church Street  
Berwick upon Tweed  
Northumberland  
TD15 1EF

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# **BERWICK-UPON-TWEED GARDEN CENTRE LIMITED**

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# **BERWICK-UPON-TWEED GARDEN CENTRE LIMITED**

## **STRATEGIC REPORT**

**FOR THE YEAR ENDED 30 NOVEMBER 2019**

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The directors present the strategic report for the year ended 30 November 2019.

### **Fair review of the business**

This was a successful year for Berwick-upon-Tweed Garden Centre Ltd. The three garden centres comprising the group grew in turnover by 17% and profitability increased by 87%. This performance was well above the national trend and was achieved in spite of a wet summer.

### **Principal risks and uncertainties**

As usual, the principle risk to the company emanates from local competition. Plantsplus Garden Centre is now surrounded by three Dobbies' garden centres all within a radius of 20 miles. Local competition at the other sites has remained unchanged. There is also recognised competition from websites and BGC Ltd is currently engaged in producing its own on-line facility at all three sites.

Post year end, the Coronavirus outbreak resulted in the closure of all three sites to the public in March 2020. Telephone sales for home delivery were quick to get off the ground and two vehicles from each site were required to meet demand. Each garden centre already had their own website and these were quickly adapted to accept online sales for home delivery and click and collect services. Plantsplus Garden Centre which, unlike the other garden centres in the group grows a large proportion of plants in its own nursery, managed to sell nearly all production in this manner. Total sales soon accounted for over 25% of the previous year's sales. The two English garden centres performed strongly once they were allowed to re-open in May and Dunbar Garden Centre opened three weeks later due to separate restrictions being imposed by government in Scotland. The company has taken advantage of a number of government schemes including furlough payments for staff, VAT payment deferral, business rates rebate for one year, and a CBIL of £700k that will provide security through next winter.

With the recent opening of two restaurants, the business is gradually returning to normal trading and in a sound position to meet loan interest and capital repayments together with planned capital expenditure.

### **Development and performance**

Dunbar Garden Centre's restaurant set an example. Sales approached £1m and enterprise profit was over 22% of turnover. The garden centre also performed well by increasing both sales and gross margin to achieve profitability growth of 165%.

Despite management staffing difficulties, Berwick Garden Centre's restaurant grew sales by 6% and the garden centre's sales increased by 9%. However overall profitability rose by 25% on the year, due to an increase in gross profit, only modest increases in staff wage costs and tight control of overheads.

Plantsplus Garden Centre's restaurant improved in turnover and gross profit and turned a modest profit. The garden centre and nursery made a profit of £46k down slightly on the past year. There was a substantial increase in overhead costs mainly due to depreciation as a result of increased capital expenditure. An appeal of the RV has been successful and a rate rebate has recently been achieved.

On behalf of the board

Mr N G Crabbie

**Director**

22 July 2020

# **BERWICK-UPON-TWEED GARDEN CENTRE LIMITED**

## **DIRECTORS' REPORT**

***FOR THE YEAR ENDED 30 NOVEMBER 2019***

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The directors present their annual report and financial statements for the year ended 30 November 2019.

### **Principal activities**

The principal activity of the company continued to be the operation of garden centres.

### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr N G Crabbie  
Mr N A F O Donaghey  
Mrs F C Kherian  
Mrs K S Crabbie

### **Results and dividends**

The results for the year are set out on page 6.

Ordinary dividends were paid amounting to £86,748. The directors do not recommend payment of a final dividend.

### **Statement of 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 then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Mr N G Crabbie  
**Director**  
22 July 2020

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# **BERWICK-UPON-TWEED GARDEN CENTRE LIMITED**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF BERWICK-UPON-TWEED GARDEN CENTRE LIMITED**

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#### **Opinion**

We have audited the financial statements of Berwick-Upon-Tweed Garden Centre Limited (the 'company') for the year ended 30 November 2019 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 November 2019 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.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's *responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **The impact of uncertainties on our audit due to the UK leaving the European Union**

Uncertainties relating to the effects of the UK leaving the European Union are relevant to understanding our audit of the financial statements. All audits assess the reasonableness of estimates made by the directors and the appropriateness of the going concern basis of preparation of the financial statements. These depend upon assessments of the future economic environment and the company's prospects.

Leaving the European Union is a significant economic event for the UK, and at the date of this report its effects are subject to various possible outcomes, with the full range of possible effects unknown. We have applied a standard firm wide approach in response to this uncertainty when assessing the company's future prospects. However, it is not possible to predict all of the possible effects on the company of the UK leaving the European Union.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, as we cannot predict all future events, in particular with regard to any possible effects arising from the UK leaving the European Union, the absence of a reference to a material uncertainty in this report is not a guarantee that the company will continue in operation.

# **BERWICK-UPON-TWEED GARDEN CENTRE LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF BERWICK-UPON-TWEED GARDEN CENTRE LIMITED**

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#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

# **BERWICK-UPON-TWEED GARDEN CENTRE LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF BERWICK-UPON-TWEED GARDEN CENTRE LIMITED**

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#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Use of our report**

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.

**Stuart Allister CA (Senior Statutory Auditor)**  
for and on behalf of Greaves West & Ayre

17 August 2020

**Chartered Accountants**  
**Statutory Auditor**

17 Walkergate  
Berwick-upon-Tweed  
Northumberland  
TD15 1DJ



## BERWICK-UPON-TWEED GARDEN CENTRE LIMITED

### PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 NOVEMBER 2019

	Notes	2019 £	2018 £
<b>Turnover</b>	<b>3</b>	7,192,309	6,132,546
Cost of sales		(3,415,159)	(2,971,721)
<b>Gross profit</b>		<u>3,777,150</u>	<u>3,160,825</u>
Administrative expenses		(2,948,961)	(2,669,426)
Other operating income		21,237	16,237
<b>Operating profit</b>	<b>4</b>	<u>849,426</u>	<u>507,636</u>
Interest receivable and similar income	<b>7</b>	925	180
Interest payable and similar expenses	<b>8</b>	(103,983)	(109,259)
<b>Profit before taxation</b>		<u>746,368</u>	<u>398,557</u>
Tax on profit	<b>9</b>	(167,652)	(95,513)
<b>Profit for the financial year</b>		<u><u>578,716</u></u>	<u><u>303,044</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

# **BERWICK-UPON-TWEED GARDEN CENTRE LIMITED**

## **STATEMENT OF COMPREHENSIVE INCOME**

***FOR THE YEAR ENDED 30 NOVEMBER 2019***

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	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Profit for the year</b>	578,716	303,044
<b>Other comprehensive income</b>	-	-
<b>Total comprehensive income for the year</b>	<u>578,716</u>	<u>303,044</u>

# BERWICK-UPON-TWEED GARDEN CENTRE LIMITED

## BALANCE SHEET

AS AT 30 NOVEMBER 2019

	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Goodwill	11	26,000		39,000	
Tangible assets	12	5,669,285		5,682,675	
		<u>5,695,285</u>		<u>5,721,675</u>	
<b>Current assets</b>					
Stocks	14	1,205,515		1,083,896	
Debtors	15	137,906		83,637	
Cash at bank and in hand		448,190		143,255	
		<u>1,791,611</u>		<u>1,310,788</u>	
<b>Creditors: amounts falling due within one year</b>	16	<u>(1,074,297)</u>		<u>(943,477)</u>	
<b>Net current assets</b>			717,314		367,311
<b>Total assets less current liabilities</b>			6,412,599		6,088,986
<b>Creditors: amounts falling due after more than one year</b>	17		(2,730,996)		(2,927,533)
<b>Provisions for liabilities</b>	20		(157,592)		(137,384)
<b>Deferred income</b>	22		(7,974)		-
<b>Net assets</b>			<u>3,516,037</u>		<u>3,024,069</u>
<b>Capital and reserves</b>					
Called up share capital	24	28,916		28,916	
Share premium account		10,000		10,000	
Profit and loss reserves		3,477,121		2,985,153	
<b>Total equity</b>			<u>3,516,037</u>		<u>3,024,069</u>

The financial statements were approved by the board of directors and authorised for issue on 22 July 2020 and are signed on its behalf by:

Mr N G Crabbie  
Director

Company Registration No. SC079988

# BERWICK-UPON-TWEED GARDEN CENTRE LIMITED

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 NOVEMBER 2019

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
<b>Balance at 1 December 2017</b>		28,916	10,000	2,754,399	2,793,315
<b>Year ended 30 November 2018:</b>					
Profit and total comprehensive income for the year		-	-	303,044	303,044
Dividends	10	-	-	(72,290)	(72,290)
<b>Balance at 30 November 2018</b>		28,916	10,000	2,985,153	3,024,069
<b>Year ended 30 November 2019:</b>					
Profit and total comprehensive income for the year		-	-	578,716	578,716
Dividends	10	-	-	(86,748)	(86,748)
<b>Balance at 30 November 2019</b>		28,916	10,000	3,477,121	3,516,037

# BERWICK-UPON-TWEED GARDEN CENTRE LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 NOVEMBER 2019

	Notes	2019 £	£	2018 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	26	1,021,298		724,791	
Interest paid		(103,983)		(109,259)	
Income taxes paid		(58,716)		(79,628)	
<b>Net cash inflow from operating activities</b>		858,599		535,904	
<b>Investing activities</b>					
Purchase of tangible fixed assets		(277,250)		(784,577)	
Proceeds on disposal of tangible fixed assets		1,500		750	
Interest received		925		180	
<b>Net cash used in investing activities</b>		(274,825)		(783,647)	
<b>Financing activities</b>					
Proceeds of new bank loans		27,286		168,805	
Repayment of bank loans		(190,789)		(130,148)	
Payment of finance leases obligations		(28,588)		(26,662)	
Dividends paid		(86,748)		(72,290)	
<b>Net cash used in financing activities</b>		(278,839)		(60,295)	
<b>Net increase/(decrease) in cash and cash equivalents</b>		304,935		(308,038)	
Cash and cash equivalents at beginning of year		143,255		451,293	
<b>Cash and cash equivalents at end of year</b>		448,190		143,255	

# **BERWICK-UPON-TWEED GARDEN CENTRE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 NOVEMBER 2019**

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### **1 Accounting policies**

#### **Company information**

Berwick-Upon-Tweed Garden Centre Limited is a private company limited by shares incorporated in Scotland. The registered office is Westerside Farm, Coldingham, Eyemouth, Berwickshire, TD14 5QE.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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 £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

# BERWICK-UPON-TWEED GARDEN CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2019

### 1 Accounting policies

(Continued)

#### 1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 5 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

#### 1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	0-5% straight line
Plant and machinery	25% reducing balance and 10% straight line
Fixtures and fittings	10-20% straight line
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.6 Impairment of fixed assets

At each reporting period 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.

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, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

# BERWICK-UPON-TWEED GARDEN CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2019

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### 1 Accounting policies

(Continued)

#### 1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.



# BERWICK-UPON-TWEED GARDEN CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2019

### 1 Accounting policies

(Continued)

#### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised 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 classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Other financial liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

# BERWICK-UPON-TWEED GARDEN CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2019

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### 1 Accounting policies

(Continued)

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### **1.10 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### **1.11 Derivatives**

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

#### **1.12 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

##### ***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### ***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.13 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

# BERWICK-UPON-TWEED GARDEN CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2019

### 1 Accounting policies

(Continued)

#### 1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.15 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

#### 1.16 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2019 £	2018 £
<b>Turnover analysed by class of business</b>		
Sale of goods	7,192,309	6,132,546
	<u>          </u>	<u>          </u>
	2019 £	2018 £
<b>Other significant revenue</b>		
Interest income	925	180
Grants received	1,661	-
	<u>          </u>	<u>          </u>

# BERWICK-UPON-TWEED GARDEN CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2019

<b>3</b>	<b>Turnover and other revenue</b>	<b>(Continued)</b>	
		<b>2019</b>	<b>2018</b>
		<b>£</b>	<b>£</b>
	<b>Turnover analysed by geographical market</b>		
	United Kingdom	7,192,309	6,132,546
		<u><u>          </u></u>	<u><u>          </u></u>
<b>4</b>	<b>Operating profit</b>	<b>2019</b>	<b>2018</b>
		<b>£</b>	<b>£</b>
	Operating profit for the year is stated after charging/(crediting):		
	Government grants	(1,661)	-
	Fees payable to the company's auditor for the audit of the company's financial statements	10,000	10,000
	Depreciation of owned tangible fixed assets	253,470	220,698
	Depreciation of tangible fixed assets held under finance leases	34,174	34,333
	Loss/(profit) on disposal of tangible fixed assets	1,496	(172)
	Amortisation of intangible assets	13,000	13,000
	Cost of stocks recognised as an expense	3,415,159	2,971,721
		<u><u>          </u></u>	<u><u>          </u></u>
<b>5</b>	<b>Employees</b>		
	The average monthly number of persons (including directors) employed by the company during the year was:		
		<b>2019</b>	<b>2018</b>
		<b>Number</b>	<b>Number</b>
	Average number of employees	132	120
		<u><u>          </u></u>	<u><u>          </u></u>
	Their aggregate remuneration comprised:		
		<b>2019</b>	<b>2018</b>
		<b>£</b>	<b>£</b>
	Wages and salaries	1,745,926	1,549,128
	Social security costs	105,327	98,196
	Pension costs	24,430	16,013
		<u><u>          </u></u>	<u><u>          </u></u>
		1,875,683	1,663,337
		<u><u>          </u></u>	<u><u>          </u></u>
<b>6</b>	<b>Directors' remuneration</b>	<b>2019</b>	<b>2018</b>
		<b>£</b>	<b>£</b>
	Remuneration for qualifying services	76,479	73,745
		<u><u>          </u></u>	<u><u>          </u></u>

# BERWICK-UPON-TWEED GARDEN CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2019

<b>7</b>	<b>Interest receivable and similar income</b>	<b>2019</b>	<b>2018</b>
		<b>£</b>	<b>£</b>
	<b>Interest income</b>		
	Interest on bank deposits	925	180
		<u>          </u>	<u>          </u>
	Investment income includes the following:		
	Interest on financial assets not measured at fair value through profit or loss	925	180
		<u>          </u>	<u>          </u>
<b>8</b>	<b>Interest payable and similar expenses</b>	<b>2019</b>	<b>2018</b>
		<b>£</b>	<b>£</b>
	<b>Interest on financial liabilities measured at amortised cost:</b>		
	Interest on bank overdrafts and loans	98,041	101,391
	<b>Other finance costs:</b>		
	Interest on finance leases and hire purchase contracts	5,942	7,868
		<u>          </u>	<u>          </u>
		103,983	109,259
		<u>          </u>	<u>          </u>
<b>9</b>	<b>Taxation</b>	<b>2019</b>	<b>2018</b>
		<b>£</b>	<b>£</b>
	<b>Current tax</b>		
	UK corporation tax on profits for the current period	155,548	66,820
	Adjustments in respect of prior periods	(8,104)	-
		<u>          </u>	<u>          </u>
	Total current tax	147,444	66,820
		<u>          </u>	<u>          </u>
	<b>Deferred tax</b>		
	Origination and reversal of timing differences	20,208	28,693
		<u>          </u>	<u>          </u>
	Total tax charge	167,652	95,513
		<u>          </u>	<u>          </u>

# BERWICK-UPON-TWEED GARDEN CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2019

### 9 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2019 £	2018 £
Profit before taxation	746,368	398,557
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	141,810	75,726
Tax effect of expenses that are not deductible in determining taxable profit	461	399
Gains not taxable	-	(33)
Adjustments in respect of prior years	(8,104)	-
Permanent capital allowances in excess of depreciation	12,993	(9,272)
Losses on sale of fixed assets	284	-
Deferred tax movement in year	20,208	28,693
Taxation charge for the year	167,652	95,513

### 10 Dividends

	2019 £	2018 £
Interim paid	86,748	72,290

### 11 Intangible fixed assets

	Goodwill £
<b>Cost</b>	
At 1 December 2018 and 30 November 2019	65,000
<b>Amortisation and impairment</b>	
At 1 December 2018	26,000
Amortisation charged for the year	13,000
At 30 November 2019	39,000
<b>Carrying amount</b>	
At 30 November 2019	26,000
At 30 November 2018	39,000

# BERWICK-UPON-TWEED GARDEN CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2019

### 12 Tangible fixed assets

	Freehold land and buildings	Plant and machinery	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 December 2018	5,922,368	687,998	1,179,738	52,524	7,842,628
Additions	152,287	75,424	37,240	12,299	277,250
Disposals	-	-	-	(5,999)	(5,999)
At 30 November 2019	6,074,655	763,422	1,216,978	58,824	8,113,879
<b>Depreciation and impairment</b>					
At 1 December 2018	1,053,918	367,454	714,939	23,642	2,159,953
Depreciation charged in the year	128,566	71,201	80,673	7,204	287,644
Eliminated in respect of disposals	-	-	-	(3,003)	(3,003)
At 30 November 2019	1,182,484	438,655	795,612	27,843	2,444,594
<b>Carrying amount</b>					
At 30 November 2019	4,892,171	324,767	421,366	30,981	5,669,285
At 30 November 2018	4,868,450	320,544	464,799	28,882	5,682,675

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2019 £	2018 £
Plant and machinery	124,162	132,095
Fixtures and fittings	53,244	68,088
Motor vehicles	1,529	1,969
	178,935	202,152

In August 2019, professional valuations were obtained for the company's three garden centres. The market value was based on their existing use and present condition as fully equipped operational entities.

The total market value at this date was £7,700,000, however, the directors have opted to continue measuring assets on a cost basis.

### 13 Financial instruments

	2019 £	2018 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	136,085	72,031
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	3,499,016	3,652,789

# BERWICK-UPON-TWEED GARDEN CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2019

### 14 Stocks

	2019 £	2018 £
Finished goods and goods for resale	1,205,515	1,083,896

### 15 Debtors

	2019 £	2018 £
<b>Amounts falling due within one year:</b>		
Trade debtors	135,085	70,831
Other debtors	1,000	1,200
Prepayments and accrued income	1,821	11,606
	137,906	83,637

### 16 Creditors: amounts falling due within one year

	Notes	2019 £	2018 £
Bank loans	18	198,308	188,712
Obligations under finance leases	19	23,438	28,588
Trade creditors		418,966	355,649
Corporation tax		155,548	66,820
Other taxation and social security		150,729	151,401
Other creditors		94,919	78,091
Accruals and deferred income		32,389	74,216
		1,074,297	943,477

### 17 Creditors: amounts falling due after more than one year

	Notes	2019 £	2018 £
Bank loans and overdrafts	18	2,676,846	2,849,945
Obligations under finance leases	19	54,150	77,588
		2,730,996	2,927,533



# BERWICK-UPON-TWEED GARDEN CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2019

### 18 Loans and overdrafts

	2019 £	2018 £
Bank loans	2,875,154	3,038,657
Payable within one year	198,308	188,712
Payable after one year	2,676,846	2,849,945

The bank loans are secured by fixed and floating charges over all the assets of the company.

There are also standard securities and legal charges in place over the three garden centres.

### 19 Finance lease obligations

	2019 £	2018 £
Future minimum lease payments due under finance leases:		
Within one year	23,438	28,588
In two to five years	54,150	70,365
In over five years	-	7,223
	77,588	106,176

Hire purchase liabilities are secured against the assets to which they relate.

### 20 Provisions for liabilities

	Notes	2019 £	2018 £
Deferred tax liabilities	21	157,592	137,384

### 21 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2019 £	Liabilities 2018 £
Balances:		
Accelerated capital allowances	157,592	137,384

# BERWICK-UPON-TWEED GARDEN CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2019

<b>21</b>	<b>Deferred taxation</b>	<b>(Continued)</b>	
		<b>2019</b>	
	<b>Movements in the year:</b>	<b>£</b>	
	Liability at 1 December 2018	137,384	
	Charge to profit or loss	20,208	
	Liability at 30 November 2019	157,592	
<b>22</b>	<b>Deferred income</b>	<b>2019</b>	<b>2018</b>
		<b>£</b>	<b>£</b>
	Arising from grants income less than one year	2,352	-
	Arising from grant income greater than one year	5,622	-
		7,974	-
<b>23</b>	<b>Retirement benefit schemes</b>	<b>2019</b>	<b>2018</b>
		<b>£</b>	<b>£</b>
	<b>Defined contribution schemes</b>		
	Charge to profit or loss in respect of defined contribution schemes	24,430	16,013
	The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.		
<b>24</b>	<b>Share capital</b>	<b>2019</b>	<b>2018</b>
		<b>£</b>	<b>£</b>
	<b>Ordinary share capital</b>		
	<b>Issued and fully paid</b>		
	28,916 Ordinary Shares of £1 each	28,916	28,916
<b>25</b>	<b>Capital commitments</b>		
	Amounts contracted for but not provided in the financial statements:	<b>2019</b>	<b>2018</b>
		<b>£</b>	<b>£</b>
	Acquisition of tangible fixed assets	168,633	14,000

## BERWICK-UPON-TWEED GARDEN CENTRE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2019

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26 Cash generated from operations

	2019 £	2018 £
Profit for the year after tax	578,716	303,044
<b>Adjustments for:</b>		
Taxation charged	167,652	95,513
Finance costs	103,983	109,259
Investment income	(925)	(180)
Loss/(gain) on disposal of tangible fixed assets	1,496	(172)
Amortisation and impairment of intangible assets	13,000	13,000
Depreciation and impairment of tangible fixed assets	287,644	255,031
Increase in deferred income	7,974	-
<b>Movements in working capital:</b>		
(Increase) in stocks	(121,619)	(40,130)
(Increase)/decrease in debtors	(54,269)	5,365
Increase/(decrease) in creditors	37,646	(15,939)
<b>Cash generated from operations</b>	<u>1,021,298</u>	<u>724,791</u>

# BERWICK-UPON-TWEED GARDEN CENTRE LIMITED

## BERWICK PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 NOVEMBER 2019

		2019		2018
	£	£	£	£
<b>Turnover</b>				
Sales - plants		404,721		382,315
Sales - sundries		703,426		614,082
Sales - gifts		269,605		242,420
Sales - pets		290,440		276,856
Sales - farm shop		286,490		275,735
Sales - café		590,623		557,072
Sales - gift tokens		26,593		21,736
		<u>2,571,898</u>		<u>2,370,216</u>
<b>Cost of sales</b>				
Purchases - plants	225,942		208,796	
Purchases - sundries	379,531		332,074	
Purchases - giftware	157,963		146,599	
Purchases - pets	156,798		150,464	
Purchases - farm shop	201,950		201,665	
Purchases - café	169,259		158,008	
Purchases - gift tokens	61,096		54,093	
		<u>(1,352,539)</u>		<u>(1,251,699)</u>
<b>Gross Profit</b>		<b>1,219,359</b>		<b>1,118,517</b>
<b>Administrative Expenses</b>				
Wages	521,013		519,884	
Social security costs	33,028		33,423	
Office staff	59,102		17,449	
Staff pension costs	8,002		5,925	
Rates	60,406		63,034	
Heat and light	52,895		37,309	
Insurances	7,377		8,619	
Equipment renewals	41,844		36,518	
Motor expenses	7,519		10,162	
Travelling expenses	3,870		1,930	
Subscriptions	9,422		6,768	
Professional fees	5,636		4,191	
Accountancy	2,948		2,058	
Audit fees	3,334		3,900	
Bank charges	15,812		24,197	
Training and workwear	2,178		3,489	
Advertising	27,642		31,688	
Telephone and fax	1,300		1,911	
Other office supplies	4,796		4,357	
General administration expenses	-		274	
		<u>(868,124)</u>		<u>(817,086)</u>
<b>Balance Carried Forward</b>		<b>351,235</b>		<b>301,431</b>

# BERWICK-UPON-TWEED GARDEN CENTRE LIMITED

## BERWICK PROFIT AND LOSS ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2019

	£	2019 £	£	2018 £
<b>Balance Brought Forward</b>		<b>351,235</b>		<b>301,431</b>
<b>Depreciation</b>				
Depreciation	66,591		64,611	
Loss on sale of fixed assets	1,496		-	
		(68,087)		(64,611)
<b>Directors Remuneration</b>				
Directors' salaries	26,003		12,333	
N.I. on directors salaries	2,783		1,319	
Directors' pension cost	304		-	
		(29,090)		(13,652)
<b>Other Operating Income</b>				
Sundry income		14,617		7,132
Profit on sale of fixed assets		-		172
<b>Operating Profit</b>		<b>268,675</b>		<b>230,472</b>
<b>Other Income</b>				
Bank interest received		925		180
<b>Interest Payable</b>				
Bank interest paid		(31,475)		(43,188)
<b>Net Profit for the Year</b>		<b>238,125</b>		<b>187,464</b>

**BERWICK-UPON-TWEED GARDEN CENTRE LIMITED****DUNBAR PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 30 NOVEMBER 2019**

		2019		2018
	£	£	£	£
<b>Turnover</b>				
Sales - plants	402,002		384,960	
Sales - sundries	820,823		712,975	
Sales - gifts	332,932		312,375	
Sales - pets	252,933		231,421	
Sales - farm shop	281,396		253,783	
Sales - café	985,618		871,631	
Sales - gift tokens	24,956		7,077	
		3,100,660		2,774,222
<b>Cost of sales</b>				
Purchases - plants	194,972		196,591	
Purchases - sundries	426,957		396,418	
Purchases - giftware	178,610		183,479	
Purchases - pets	122,256		127,297	
Purchases - farm shop	191,794		180,681	
Purchases - café	249,737		234,857	
Purchases - gift tokens	54,547		39,636	
		(1,418,873)		(1,358,959)
<b>Gross Profit</b>		<b>1,681,787</b>		<b>1,415,263</b>
<b>Administrative Expenses</b>				
Wages	633,334		626,905	
Social security costs	40,799		40,650	
Office staff	65,425		26,737	
Staff pension costs	9,885		6,591	
Rates	110,808		117,680	
Heat and light	35,511		32,269	
Insurances	10,807		9,822	
Equipment renewals	51,536		51,082	
Motor expenses	3,172		2,644	
Travelling expenses	3,906		4,434	
Subscriptions	6,909		5,102	
Professional fees	5,834		9,106	
Accountancy	2,949		2,507	
Audit fees	3,333		4,500	
Bank charges	23,623		25,544	
Training and workwear	3,443		3,232	
Advertising	24,666		30,486	
Telephone and fax	1,671		1,638	
Other office supplies	5,687		6,830	
General administration expenses	216		-	
		(1,043,514)		(1,007,759)
<b>Balance Carried Forward</b>		<b>638,273</b>		<b>407,504</b>

# BERWICK-UPON-TWEED GARDEN CENTRE LIMITED

## DUNBAR PROFIT AND LOSS ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2019

	£	2019 £	£	2018 £
<b>Balance Brought Forward</b>		<b>638,273</b>		<b>407,504</b>
<b>Depreciation</b>				
Depreciation		(119,005)		(108,543)
<b>Directors Remuneration</b>				
Directors' salaries	32,121		49,078	
N.I. on directors salaries	3,438		5,227	
Directors' pension cost	376		615	
		(35,935)		(54,920)
<b>Other Operating Income</b>				
Amortisation of grant	1,661		-	
Sundry income	4,958		9,105	
		6,619		9,105
<b>Operating Profit</b>		<b>489,952</b>		<b>253,146</b>
<b>Interest Payable</b>				
Bank interest paid	31,475		45,690	
Hire purchase interest payable	1,350		2,505	
		(32,825)		(48,195)
<b>Net Profit for the Year</b>		<b>457,127</b>		<b>204,951</b>

# BERWICK-UPON-TWEED GARDEN CENTRE LIMITED

## PLANTS PLUS PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 NOVEMBER 2019

		2019		2018
	£	£	£	£
<b>Turnover</b>				
Sales - plants	630,670		543,641	
Sales - sundries	369,634		242,092	
Sales - gifts	51,360		18,248	
Sales - pets	19,183		12,419	
Sales - farm shop	5,768		4,666	
Sales - café	436,095		168,876	
Sales - gift tokens	7,042		(1,833)	
		1,519,752		988,109
<b>Cost of sales</b>				
Purchases - plants	281,902		185,382	
Purchases - sundries	187,909		107,479	
Purchases - giftware	23,929		10,668	
Purchases - pets	10,421		3,389	
Purchases - farm shop	3,547		2,389	
Purchases - café	116,391		47,857	
Purchases - gift tokens	19,648		3,898	
		(643,747)		(361,062)
<b>Gross Profit</b>		<b>876,005</b>		<b>627,047</b>
<b>Administrative Expenses</b>				
Wages	367,311		260,446	
Social security costs	23,314		16,260	
Office staff	23,262		23,961	
Staff pension costs	5,649		2,882	
Rates	49,986		40,669	
Heat and light	61,478		42,208	
Insurances	7,990		6,239	
Equipment renewals	38,820		32,947	
Motor expenses	4,810		7,640	
Travelling expenses	2,858		525	
Subscriptions	5,436		3,662	
Professional fees	4,108		3,060	
Accountancy	2,949		1,405	
Audit fees	3,333		1,600	
Bank charges	10,673		8,899	
Training and workwear	1,597		2,689	
Advertising	27,897		31,404	
Telephone and fax	2,888		2,349	
Other office supplies	5,263		5,654	
		(649,622)		(494,499)
<b>Balance Carried Forward</b>		<b>226,383</b>		<b>132,548</b>



**BERWICK-UPON-TWEED GARDEN CENTRE LIMITED****PLANTS PLUS PROFIT AND LOSS ACCOUNT (CONTINUED)****FOR THE YEAR ENDED 30 NOVEMBER 2019**

	£	2019 £	£	2018 £
<b>Balance Brought Forward</b>		<b>226,383</b>		<b>132,548</b>
<b>Depreciation</b>				
Amortisation of goodwill	13,000		13,000	
Depreciation	102,048		81,877	
		<u>(115,048)</u>		<u>(94,877)</u>
<b>Directors Remuneration</b>				
Directors' salaries	18,355		12,333	
N.I. on directors salaries	1,965		1,319	
Directors' pension cost	215		-	
		<u>(20,535)</u>		<u>(13,652)</u>
<b>Operating Profit</b>		<b>90,800</b>		<b>24,019</b>
<b>Interest Payable</b>				
Bank interest paid	35,092		12,514	
Hire purchase interest payable	4,592		5,363	
		<u>(39,684)</u>		<u>(17,877)</u>
<b>Net Profit for the Year</b>		<b>51,116</b>		<b>6,142</b>

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.