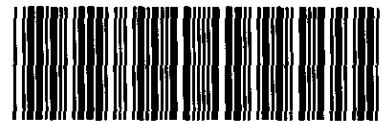


REGISTERED NUMBER: 07932991 (England and Wales)

OAT 2012 LIMITED
GROUP STRATEGIC REPORT,
REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023

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FOR THE YEAR ENDED 31 MAY 2023**

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OAT 2012 LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MAY 2023**

DIRECTORS:

Hon A E J Taylor
R D Taylor
S R Taylor

SECRETARY:

S R Taylor

REGISTERED OFFICE:

Washway House Farm
Washway Road
Holbeach
Spalding
Lincolnshire
PE12 7PP

REGISTERED NUMBER:

07932991 (England and Wales)

AUDITORS:

Duncan & Toplis Audit Limited, Statutory Auditor
Enterprise Way
Pinchbeck
Spalding
Lincolnshire
PE11 3YR

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MAY 2023**

The directors present their strategic report for the year ended 31 May 2023.

REVIEW OF BUSINESS

OAT 2012 Limited's trading subsidiary, O A Taylor & Sons Bulbs Limited, maintains their position as the preferred supplier of all types of flowering bulbs to UK and Irish garden centres.

The results of the group are in line with the targets set, changes in the market and climatic conditions experienced during the growing and retail seasons.

The group continues to see further success in bespoke products to customers outside the core market of garden centres and continues to innovate and introduce new products, packaging and varieties throughout the range.

KEY PERFORMANCE INDICATORS

Given the straightforward commercial nature of the business, the directors' opinion is that supplementary KPI analysis over and above that in the financial statements is not necessary to an understanding of the development, performance and financial strength of the group.

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the execution of the group's strategy are subject to a number of risks. Risks are formally reviewed by the board and appropriate processes put in place to monitor and mitigate them.

The key risks affecting the group are set out below:

Customers

To reduce any potential loss of custom, the group values integrity and seeks to conduct its business with professionalism and aspires to provide excellent service in the eyes of our customers.

Employees

The group continues to use the principle of staff training in return for loyalty, openness, commitment and performance, respecting and caring for staff and investing in their employment potential. The group operates a variety of progression based structures, invests in personal and professional development and remains committed to involving all staff in the operation of the business. The group believes in remunerating its staff fairly for doing a good job which includes taking on responsibility, working as a team and supporting the group's continuous improvement.

The group continuously reviews working practices to reflect the reduction in availability of seasonal workers.

Commodity risk

As a bulb supplier, the group is also exposed to the vagaries of the climate and consequent impacts upon the price and availability of product. The group operates a variety of key mitigating tools to reduce exposure to commodity risk, these summarise in contracting supply price and quantity with growers, growing own crops and having a wide customer spectrum to ensure optimum crop utilisation.

Foreign exchange risk

The group imports a wide range of products from Europe, and consequently is at risk from unfavourable exchange rate changes. The group mitigates this risk by working closely with the group's bankers to forward buy currency at appropriate rates for the business.

Natural resources

A further key risk is the environment and the consumption of natural resources. The group respects the environment in which it operates and works to conserve natural resources and enhance the natural environment. The group is working on a range of initiatives to reduce the carbon footprint associated with its supply chains in active participation with customers and suppliers. Various alternative materials are being assessed for use in the packing of bulbs.

ON BEHALF OF THE BOARD:



Hon A E J Taylor - Director

15 February 2024

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MAY 2023**

The directors present their report with the financial statements of the company and the group for the year ended 31 May 2023.

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of bulb wholesalers.

DIVIDENDS

During the year the directors recommended that the following interim dividends be declared:

Ordinary A shares:

1 March 2023 - £405,600

Ordinary B shares:

1 March 2023 - £159,639

The directors recommend that no final dividends be paid.

The total distribution of dividends for the period ended 31 May 2023 will be £565,239.

FUTURE DEVELOPMENTS

The group will continue to invest strongly in new machinery and packing equipment. There is an ongoing programme of warehouse renovation using materials with improved insulation to decrease fuel usage. The group is expecting another profitable year in 2023.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 June 2022 to the date of this report.

Hon A E J Taylor

R D Taylor

S R Taylor

FINANCIAL INSTRUMENTS

The group imports a wide range of products from Europe, and consequently is at risk from unfavourable exchange rate changes. The group mitigates this risk by working closely with the group's bankers to forward buy currency at appropriate rates for the business.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 the group and of the profit or loss of the group 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

OAT 2012 LIMITED (REGISTERED NUMBER: 07932991)

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MAY 2023**

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to be 'A E J Taylor', written in a cursive style.

Hon A E J Taylor - Director

15 February 2024

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF OAT 2012 LIMITED

Opinion

We have audited the financial statements of OAT 2012 Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 May 2023 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows and Notes to the Consolidated Statement of Cash Flows, 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 Financial Reporting Standard 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 group's and of the parent company affairs as at 31 May 2023 and of the group's 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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 this gives rise to a material misstatement in the financial statements themselves. 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 the audit:

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
OAT 2012 LIMITED**

Matters on which we are required to report by exception

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

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or*
- *the parent company 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 Statement of Directors' Responsibilities set out on page three, 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 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF OAT 2012 LIMITED

Auditors' 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 a Report of the Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We have identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial experience, knowledge of the sector, a review of regulatory and legal correspondence and through discussions with Directors and other management obtained as part of the work required by auditing standards. We have also discussed with the Directors and other management the policies and procedures relating to compliance with laws and regulations. We communicated laws and regulations throughout the team and remained alert to any indications of non-compliance throughout the audit.

The potential impact of different laws and regulations varies considerably. Firstly, the company is subject to laws and regulations that directly impact the financial statements (for example financial reporting legislation) and we have assessed the extent of compliance with such laws as part of our financial statements audit. This included the identification and testing of unusual material journal entries, and challenging management on key estimates. These key areas of uncertainty are disclosed in the accounting policies.

Secondly, the company is subject to other laws and regulations where the consequence for non-compliance could have a material effect on the amounts or disclosures in the financial statements. We identified the following areas as those most likely to have such an effect: Health and Safety regulations, and Employment laws.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management, and inspection. This inspection included a review of the external audits conducted within the year for any evidence of non-compliance, in addition to an assessment of the company's employment and health and safety controls. Through these procedures, if we became aware of any non-compliance, we considered the impact on the procedures performed on the related financial statement items.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. As with any audit, there is a greater risk of non-detection of irregularities as these may involve collusion, intentional omissions of the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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 a Report of the Auditors 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.



Alistair Main FCA (Senior Statutory Auditor)
for and on behalf of Duncan & Topliss Audit Limited, Statutory Auditor
Enterprise Way
Pinchbeck
Spalding
Lincolnshire
PE11 3YR

15 February 2024

**CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 MAY 2023**

		2023		2022	
	Notes	£	£	£	£
TURNOVER	3		18,886,580		20,002,900
Cost of sales			<u>11,799,209</u>		<u>12,655,127</u>
GROSS PROFIT			7,087,371		7,347,773
Distribution costs		323,683		337,351	
Administrative expenses		<u>3,886,493</u>		<u>3,765,078</u>	
			<u>4,210,176</u>		<u>4,102,429</u>
			2,877,195		3,245,344
Other operating income			<u>220,906</u>		<u>189,053</u>
OPERATING PROFIT	5		3,098,101		3,434,397
Interest receivable and similar income	6		<u>11,391</u>		<u>3,126</u>
			3,109,492		3,437,523
Interest payable and similar expenses	7		<u>1,279</u>		<u>165</u>
PROFIT BEFORE TAXATION			3,108,213		3,437,358
Tax on profit	8		<u>505,693</u>		<u>674,566</u>
PROFIT FOR THE FINANCIAL YEAR			<u>2,602,520</u>		<u>2,762,792</u>
Profit attributable to: Owners of the parent			<u>2,602,520</u>		<u>2,762,792</u>

OAT 2012 LIMITED (REGISTERED NUMBER: 07932991)

**CONSOLIDATED OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MAY 2023**

	Notes	2023 £	2022 £
PROFIT FOR THE YEAR		2,602,520	2,762,792
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>2,602,520</u>	<u>2,762,792</u>
Total comprehensive income attributable to: Owners of the parent		<u>2,602,520</u>	<u>2,762,792</u>

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 MAY 2023

		2023		2022	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	11		75,330		87,272
Tangible assets	12		26,831,238		25,557,462
Investments	13		14		1,929
			<u>26,906,582</u>		<u>25,646,663</u>
CURRENT ASSETS					
Stocks	14	1,383,509		1,219,870	
Debtors	15	895,482		539,100	
Cash at bank and in hand		3,324,158		2,858,031	
		<u>5,603,149</u>		<u>4,617,001</u>	
CREDITORS					
Amounts falling due within one year	16	2,610,606		2,565,921	
NET CURRENT ASSETS			<u>2,992,543</u>		<u>2,051,080</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>29,899,125</u>		<u>27,697,743</u>
CREDITORS					
Amounts falling due after more than one year	17		(2,549,969)		(2,718,142)
PROVISIONS FOR LIABILITIES	21		<u>(551,537)</u>		<u>(219,263)</u>
NET ASSETS			<u><u>26,797,619</u></u>		<u><u>24,760,338</u></u>
CAPITAL AND RESERVES					
Called up share capital	22		<u>6,666</u>		<u>6,666</u>
Share premium	23		12,393,334		12,393,334
Retained earnings	23		14,397,619		12,360,338
SHAREHOLDERS' FUNDS			<u><u>26,797,619</u></u>		<u><u>24,760,338</u></u>

The financial statements were approved and authorised for issue by the Board of Directors and authorised for issue on 15 February 2024 and were signed on its behalf by:



Hon A E J Taylor - Director

COMPANY STATEMENT OF FINANCIAL POSITION
31 MAY 2023

		2023	2022
	Notes	£	£
FIXED ASSETS			
Intangible assets	11	-	-
Tangible assets	12	842,673	842,673
Investments	13	21,316,391	21,316,391
		<u>22,159,064</u>	<u>22,159,064</u>
CURRENT ASSETS			
Debtors	15	753,553	35,655
Cash at bank		794	459
		<u>754,347</u>	<u>36,114</u>
CREDITORS			
Amounts falling due within one year	16	4,770,512	4,322,869
NET CURRENT LIABILITIES		<u>(4,016,165)</u>	<u>(4,286,755)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>18,142,899</u>	<u>17,872,309</u>
CREDITORS			
Amounts falling due after more than one year	17	1,506,236	1,706,236
NET ASSETS		<u>16,636,663</u>	<u>16,166,073</u>
CAPITAL AND RESERVES			
Called up share capital	22	6,666	6,666
Share premium	23	12,393,334	12,393,334
Retained earnings	23	4,236,663	3,766,073
SHAREHOLDERS' FUNDS		<u>16,636,663</u>	<u>16,166,073</u>
Company's profit for the financial year		<u>1,035,829</u>	<u>4,706,940</u>

The financial statements were approved and authorised for issue by the Board of Directors and authorised for issue on 15 February 2024 and were signed on its behalf by:



Hon A E J Taylor - Director

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MAY 2023**

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 June 2021	6,666	10,552,785	12,393,334	22,952,785
Changes in equity				
Dividends	-	(955,239)	-	(955,239)
Total comprehensive income	-	2,762,792	-	2,762,792
Balance at 31 May 2022	<u>6,666</u>	<u>12,360,338</u>	<u>12,393,334</u>	<u>24,760,338</u>
Changes in equity				
Dividends	-	(565,239)	-	(565,239)
Total comprehensive income	-	2,602,520	-	2,602,520
Balance at 31 May 2023	<u>6,666</u>	<u>14,397,619</u>	<u>12,393,334</u>	<u>26,797,619</u>

The notes form part of these financial statements

OAT 2012 LIMITED (REGISTERED NUMBER: 07932991)

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MAY 2023**

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 June 2021	6,666	14,372	12,393,334	12,414,372
Changes in equity				
Dividends	-	(955,239)	-	(955,239)
Total comprehensive income	-	4,706,940	-	4,706,940
Balance at 31 May 2022	<u>6,666</u>	<u>3,766,073</u>	<u>12,393,334</u>	<u>16,166,073</u>
Changes in equity				
Dividends	-	(565,239)	-	(565,239)
Total comprehensive income	-	1,035,829	-	1,035,829
Balance at 31 May 2023	<u>6,666</u>	<u>4,236,663</u>	<u>12,393,334</u>	<u>16,636,663</u>

The notes form part of these financial statements

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MAY 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	4,305,587	7,907,225
Interest paid		(1,279)	-
Interest element of hire purchase payments paid		-	(165)
Tax paid		(615,921)	(440,000)
Net cash from operating activities		<u>3,688,387</u>	<u>7,467,060</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		-	2,781
Purchase of tangible fixed assets		(2,347,682)	(5,173,865)
Purchase of fixed asset investments		-	(12)
Sale of tangible fixed assets		128,571	52,510
Interest received		11,391	3,126
Net cash from investing activities		<u>(2,207,720)</u>	<u>(5,115,460)</u>
Cash flows from financing activities			
New HP in year		385,055	-
Capital repayments in year		(281,253)	71,998
Movement on directors loan accounts		(503,103)	(68,470)
Share redemption		(50,000)	(50,000)
Equity dividends paid		(565,239)	(955,239)
Net cash from financing activities		<u>(1,014,540)</u>	<u>(1,001,711)</u>
Increase in cash and cash equivalents		<u>466,127</u>	<u>1,349,889</u>
Cash and cash equivalents at beginning of year	2	<u>2,858,031</u>	<u>1,508,142</u>
Cash and cash equivalents at end of year	2	<u><u>3,324,158</u></u>	<u><u>2,858,031</u></u>

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MAY 2023

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2023	2022
	£	£
Profit before taxation	3,108,213	3,437,358
Depreciation charges	724,978	524,556
Profit on disposal of fixed assets	(29,097)	(7,084)
Amortisation	11,942	-
Finance costs	1,279	165
Finance income	(11,391)	(3,126)
	<u>3,805,924</u>	<u>3,951,869</u>
Increase in stocks	(163,639)	(533,702)
(Increase)/decrease in trade and other debtors	(245,468)	95,463
Increase in trade and other creditors	908,770	4,393,595
	<u>4,305,587</u>	<u>7,907,225</u>
Cash generated from operations	<u>4,305,587</u>	<u>7,907,225</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 May 2023

	31.5.23	1.6.22
	£	£
Cash and cash equivalents	<u>3,324,158</u>	<u>2,858,031</u>

Year ended 31 May 2022

	31.5.22	1.6.21
	£	£
Cash and cash equivalents	<u>2,858,031</u>	<u>1,508,142</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.6.22	Cash flow	At 31.5.23
	£	£	£
Net cash			
Cash at bank and in hand	<u>2,858,031</u>	<u>466,127</u>	<u>3,324,158</u>
	<u>2,858,031</u>	<u>466,127</u>	<u>3,324,158</u>
Debt			
Finance leases	(71,998)	(103,802)	(175,800)
Debts falling due within 1 year	-	(100,000)	(100,000)
Debts falling due after 1 year	(2,691,136)	200,000	(2,491,136)
	<u>(2,763,134)</u>	<u>(3,802)</u>	<u>(2,766,936)</u>
Total	<u>94,897</u>	<u>462,325</u>	<u>557,222</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023

1. STATUTORY INFORMATION

OAT 2012 Limited 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 General Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "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 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.

Going concern

Whilst many businesses will cease to function due to the ongoing situation, the company has sufficient resources to mitigate any potential reduction in sales due to our customers having to close. However, there is a potential business risk in relation to the supply of bulbs, as the company imports these from Europe, if there are restrictions placed on the supply chain. The directors are constantly reviewing costs to balance the reduced level of business and we will utilise government schemes as necessary. As such there is no material uncertainty as to the going concern status of the business.

Basis of consolidation

The group accounts consolidate the financial statements of the company and its subsidiary undertaking. Intra-group profits are eliminated on consolidation.

Turnover

Turnover represents the total value, excluding value added tax, of sales made during the year. Revenue from the sale of goods and services is recognised when significant risks and benefits of ownership of the product have transferred to the buyer at either despatch or acceptance by the customer of the delivery.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of businesses in 2012 and 2021, are being amortised evenly over their useful lives of four and ten years respectively.

Negative goodwill, being the amount received in connection with the acquisition of a business in 2012, is being amortised evenly over its useful life of eight years and ten months.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Beet tonnage contracts are being amortised evenly over their useful lives of twenty years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost, Land - Not depreciated and Nil
Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- Straight line over 3 years

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023**

2. ACCOUNTING POLICIES - continued

Stocks

Stocks and work in progress are valued at the lower of cost and estimated selling price less costs to complete and sell, after making due allowance for obsolete and slowing moving items.

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised within the profit and loss account in other administrative expenses.

Financial instruments

The company has adopted Sections 11 and 12 of FRS 102 in respect of financial instruments.

Basic financial assets, including trade and other debtors and cash and bank balances are initially recognised at transaction price, 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.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cashflows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Basic financial liabilities, including trade and other 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 receipts discounted at a market rate of interest.

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. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are measured at amortised cost using the effective interest method.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

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

Investments

The subsidiary, O A Taylor & Sons Bulbs Limited, trades as a partner in O A Taylor & Sons. This investment is stated at the balance on the partner's capital account in the partnership accounts. None of the assets or liabilities, except for taxation liabilities, of the partnership are included in these financial statements.

Other fixed asset investments are stated at cost less provision for permanent diminution in value.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by geographical market is given below:

	2023 £	2022 £
United Kingdom	18,526,881	19,498,382
Europe	359,699	504,518
	<u>18,886,580</u>	<u>20,002,900</u>

4. EMPLOYEES AND DIRECTORS

	2023 £	2022 £
Wages and salaries	3,533,246	3,429,114
Social security costs	310,722	291,494
Other pension costs	95,415	83,001
	<u>3,939,383</u>	<u>3,803,609</u>

The average number of employees during the year was as follows:

	2023	2022
Management	3	3
Administration	38	38
Warehouse & drivers	85	62
	<u>126</u>	<u>103</u>

	2023 £	2022 £
Directors' remuneration	236,535	237,322
Directors' pension contributions to money purchase schemes	8,000	-
	<u>244,535</u>	<u>237,322</u>

Information regarding the highest paid director is as follows:

	2023 £	2022 £
Emoluments etc	94,167	90,147
Pension contributions to money purchase schemes	4,000	-
	<u>98,167</u>	<u>90,147</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023

5. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2023	2022
	£	£
Hire of plant and machinery	165,187	243,337
Other operating leases	6,877	1,478
Depreciation - owned assets	724,978	522,532
Profit on disposal of fixed assets	(35,726)	(7,084)
Goodwill amortisation	9,899	9,899
Beet tonnage contract amortisation	2,043	437
Auditors' remuneration	13,420	13,420
Auditors' remuneration for non audit work	11,684	9,961
Foreign exchange differences	(55,773)	24,813
	<u> </u>	<u> </u>

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2023	2022
	£	£
Deposit account interest	9,626	3,126
Other interest	1,765	-
	<u> </u>	<u> </u>
	<u>11,391</u>	<u>3,126</u>

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2023	2022
	£	£
Bank interest	1,279	-
Hire purchase interest	-	165
	<u> </u>	<u> </u>
	<u>1,279</u>	<u>165</u>

8. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2023	2022
	£	£
Current tax:		
UK corporation tax	280,654	653,448
Prior year adjustments	(107,235)	-
	<u> </u>	<u> </u>
Total current tax	173,419	653,448
Deferred tax	332,274	21,118
	<u> </u>	<u> </u>
Tax on profit	<u>505,693</u>	<u>674,566</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023

8. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2023 £	2022 £
Profit before tax	<u>3,108,213</u>	<u>3,437,358</u>
Profit multiplied by the standard rate of corporation tax in the UK of 25% (2022 - 19%)	777,053	653,098
Effects of:		
Expenses not deductible for tax purposes	261,916	22,245
Income not taxable for tax purposes	(264,923)	(23,810)
Capital allowances in excess of depreciation	(383,988)	-
Depreciation in excess of capital allowances	-	24,057
Adjustments to tax charge in respect of previous periods	(107,235)	-
Prior year expenses deducted this year	-	(1,024)
Goodwill amortisation	2,475	-
Prior year group relief	(41,763)	-
Change in tax rate	(70,116)	-
Deferred tax	<u>332,274</u>	<u>-</u>
Total tax charge	<u>505,693</u>	<u>674,566</u>

9. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

10. DIVIDENDS

	2023 £	2022 £
A Ordinary shares of £1 each		
Interim	405,600	795,600
B Ordinary shares of £1 each		
Interim	<u>159,639</u>	<u>159,639</u>
	<u>565,239</u>	<u>955,239</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023

11. INTANGIBLE FIXED ASSETS

Group				
	Goodwill £	Negative goodwill £	Beet tonnage contract £	Totals £
COST				
At 1 June 2022 and 31 May 2023	249,490	(239,570)	11,729	21,649
AMORTISATION				
At 1 June 2022	170,298	(239,570)	3,649	(65,623)
Amortisation for year	9,899	-	2,043	11,942
At 31 May 2023	180,197	(239,570)	5,692	(53,681)
NET BOOK VALUE				
At 31 May 2023	69,293	-	6,037	75,330
At 31 May 2022	79,192	-	8,080	87,272

12. TANGIBLE FIXED ASSETS

Group			
	Freehold property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 June 2022	24,233,244	2,763,672	151,648
Additions	221,072	1,737,254	35,327
Disposals	-	(110,709)	(3,895)
At 31 May 2023	24,454,316	4,390,217	183,080
DEPRECIATION			
At 1 June 2022	279,146	1,543,546	142,446
Charge for year	128,502	417,456	1,707
Eliminated on disposal	-	(16,606)	(3,292)
At 31 May 2023	407,648	1,944,396	140,861
NET BOOK VALUE			
At 31 May 2023	24,046,668	2,445,821	42,219
At 31 May 2022	23,954,098	1,220,126	9,202

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023

12. TANGIBLE FIXED ASSETS - continued

Group

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 June 2022	699,053	1,475,893	29,323,510
Additions	7,500	97,075	2,098,228
Disposals	(17,228)	-	(131,832)
At 31 May 2023	689,325	1,572,968	31,289,906
DEPRECIATION			
At 1 June 2022	547,038	1,253,872	3,766,048
Charge for year	38,691	138,622	724,978
Eliminated on disposal	(12,460)	-	(32,358)
At 31 May 2023	573,269	1,392,494	4,458,668
NET BOOK VALUE			
At 31 May 2023	116,056	180,474	26,831,238
At 31 May 2022	152,015	222,021	25,557,462

Included in cost of land and buildings is freehold land of £19,634,811 (2022 - £19,634,811) which is not depreciated.

Company

	Freehold property £
COST	
At 1 June 2022 and 31 May 2023	842,673
NET BOOK VALUE	
At 31 May 2023	842,673
At 31 May 2022	842,673

13. FIXED ASSET INVESTMENTS

Group

	Unlisted investments £
COST	
At 1 June 2022	1,929
Disposals	(1,915)
At 31 May 2023	14
NET BOOK VALUE	
At 31 May 2023	14
At 31 May 2022	1,929

OAT 2012 LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 MAY 2023**

13. FIXED ASSET INVESTMENTS - continued

Company	Interest in subsidiaries £
COST	
At 1 June 2022	
and 31 May 2023	21,316,391
NET BOOK VALUE	
At 31 May 2023	21,316,391
At 31 May 2022	21,316,391

The group or the company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Subsidiaries

O A Taylor & Sons Bulbs Limited

Registered office: Washway House Farm, Washway Road, Holbeach, Spalding, Lincolnshire, PE12 7PP
Nature of business: Bulb wholesalers

	%
Class of shares:	holding
Ordinary	100.00

O A Taylor & Sons Limited

Registered office: Washway House Farm, Washway Road, Holbeach, Spalding, Lincolnshire, PE12 7PP
Nature of business: farmers and bulb growers

	%
Class of shares:	holding
Ordinary	100.00

O.A. Taylor & Sons Farms Limited

Registered office: Washway House Farm, Washway Road, Holbeach, Spalding, Lincolnshire, PE12 7PP
Nature of business: farmers and bulb growers

	%
Class of shares:	holding
Ordinary	100.00
Preference	100.00

The financial statements in respect of O.A.Taylor & Sons Limited for the year ended 31 May 2023 has not been audited as an exemption has been claimed under Section 479A of the Companies Act 2006.

14. STOCKS

	Group	
	2023	2022
	£	£
Raw materials	1,351,722	1,016,236
Work-in-progress	31,787	203,634
	<u>1,383,509</u>	<u>1,219,870</u>

There is no material difference between the carrying cost of stocks and its replacement value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	199,904	188,913	-	-
Amounts owed by group undertakings	-	-	746,852	35,655
Other debtors	36,366	41,467	-	-
Tax	108,999	-	-	-
VAT	358,200	72,722	-	-
Prepayments and accrued income	192,013	235,998	6,701	-
	<u>895,482</u>	<u>539,100</u>	<u>753,553</u>	<u>35,655</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Preference shares (see note 18)	100,000	-	100,000	-
Hire purchase contracts (see note 19)	116,967	44,992	-	-
Trade creditors	1,215,735	424,131	-	-
Amounts owed to group undertakings	-	-	4,042,870	3,059,594
Taxation	19,852	353,355	-	-
Other taxes and social security	85,688	85,958	-	-
Other creditors	127,896	294,993	91,663	274,194
Directors' loan accounts	535,948	989,050	535,948	989,050
Accruals and deferred income	408,520	373,442	31	31
	<u>2,610,606</u>	<u>2,565,921</u>	<u>4,770,512</u>	<u>4,322,869</u>

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Preference shares (see note 18)	2,491,136	2,691,136	1,506,236	1,706,236
Hire purchase contracts (see note 19)	58,833	27,006	-	-
	<u>2,549,969</u>	<u>2,718,142</u>	<u>1,506,236</u>	<u>1,706,236</u>

18. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Amounts falling due within one year or on demand:				
Preference shares	<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>-</u>
Amounts falling due between two and five years:				
Preference shares	<u>1,384,900</u>	<u>984,900</u>	<u>400,000</u>	<u>-</u>
Amounts falling due in more than five years:				
Repayable otherwise than by instalments				
Preference shares	<u>1,106,236</u>	<u>1,706,236</u>	<u>1,106,236</u>	<u>1,706,236</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023**

Details of shares shown as liabilities are as follows:

<i>Allotted, issued and fully paid:</i>		Nominal value:	2023	2022
Number:	Class:		£	£
1,806,236	D Redeemable Preference	1	<u>1,606,236</u>	<u>1,706,236</u>

The D class redeemable preference shares of £1 each carry no entitlement to receive dividends, hold no voting rights and rank above ordinary shares on winding up of the business, up to an amount equal to the amount paid up on the D shares.

They are redeemable at the option of the company at par value and there is no specific date for redemption.

19. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group	Hire purchase contracts	
	2023	2022
	£	£
Net obligations repayable:		
Within one year	116,967	44,992
Between one and five years	<u>58,833</u>	<u>27,006</u>
	<u>175,800</u>	<u>71,998</u>

20. FINANCIAL INSTRUMENTS**Group**

The group has the following financial instruments:

	2023	2022
	£	£
Financial assets that are debt instruments measured at amortised cost		
Trade debtors	199,904	188,913
Other debtors	<u>36,366</u>	<u>41,467</u>
Financial liabilities measured at amortised cost		
Trade creditors	1,215,735	424,131
Directors' loan accounts	1,206,636	940,213
Redeemable C shares	<u>-</u>	<u>-</u>

There is no interest income or expense for financial assets and liabilities that are not measured at fair value through profit and loss.

21. PROVISIONS FOR LIABILITIES

	Group	
	2023	2022
	£	£
Deferred tax		
Accelerated capital allowances	<u>551,537</u>	<u>219,263</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023

21. PROVISIONS FOR LIABILITIES - continued

<i>Group</i>		Deferred tax £
Balance at 1 June 2022		219,263
Provided during year		332,274
Acquired from subsidiary		
Balance at 31 May 2023		<u>551,537</u>

The whole of the deferred tax liability relates to accelerated capital allowances.

22. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2023	2022
Number:	Class:		£	£
1,300	A Ordinary	£1	1,300	1,300
5,366	B Ordinary	£1	5,366	5,366
			<u>6,666</u>	<u>6,666</u>

Shareholders' Rights

Both 'A' ordinary and 'B' ordinary shares confer the right to received notice of and attend general meetings as well as the right to vote, both ranking equally. They both have full rights to participate in dividend distributions to the extent declared within their respective class as directed by resolution of the members or decision of the directors. They both have equal and full rights to participate in capital distributions (or on disposals). Neither the 'A' ordinary nor the 'B' ordinary shares are redeemable.

23. RESERVES

<i>Group</i>		Retained earnings £	Share premium £	Totals £
At 1 June 2022		12,360,338	12,393,334	24,753,672
Profit for the year		2,602,520		2,602,520
Dividends		(565,239)		(565,239)
At 31 May 2023		<u>14,397,619</u>	<u>12,393,334</u>	<u>26,790,953</u>

<i>Company</i>		Retained earnings £	Share premium £	Totals £
At 1 June 2022		3,766,073	12,393,334	16,159,407
Profit for the year		1,035,829		1,035,829
Dividends		(565,239)		(565,239)
At 31 May 2023		<u>4,236,663</u>	<u>12,393,334</u>	<u>16,629,997</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023

23. RESERVES - continued

a) Share premium

The share premium account represents the premium arising on the issue of shares net of issue costs.

b) Retained earnings

Retained earnings represents cumulative profits and losses net of dividends and other adjustments.

24. PENSION COMMITMENTS

The group operates a defined contribution pension scheme in respect of the directors. The scheme and its assets are held by independent managers. During the period the group made contributions on behalf of 2 directors totalling £8,000 (2022 £8,000). The group also makes contributions towards selected employees' personal pension policies. The pension charge represents contributions due from the group and amounted to £76,587 (2022 £72,092).

25. OTHER FINANCIAL COMMITMENTS

At the balance sheet date, the group had outstanding currency option deals of a sterling equivalent to a maximum of £2,866,995 (2022:£2,358,627). This is in respect of forward contracts in Euros purchased as a hedge against fluctuations in currency.

26. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

At the period end the group owed the directors £1,206,636 (2022 £940,213) in respect of their directors loan accounts on which no interest is being charged.

Sales of £24,495 (2022 - £11,193) and purchases of £3,833,796 (2022 - £3,873,738) were made with entities under common control. Amounts of £53,206 (2022 - £52,490) were owed to these entities at the year end and £nil (2022 - £11,548) was owed by these entities at the year end.

27. ULTIMATE CONTROLLING PARTY

At the balance sheet date there was no controlling party.