

Company Registration No. 02862671 (England and Wales)

**GROWELL HYDROPONICS AND PLANT LIGHTING LTD**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2018**  
**PAGES FOR FILING WITH REGISTRAR**



# GROWELL HYDROPONICS AND PLANT LIGHTING LTD

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# GROWELL HYDROPONICS AND PLANT LIGHTING LTD

## BALANCE SHEET

AS AT 31 OCTOBER 2018

|   | Notes | 2018<br>£          | £                       | 2017<br>£          | £                       |
|---|-------|--------------------|-------------------------|--------------------|-------------------------|
| <b>Fixed assets</b>                                   |       |                    |                         |                    |                         |
| Tangible assets                                       | 3     |                    | 246,190                 |                    | 152,284                 |
| <b>Current assets</b>                                 |       |                    |                         |                    |                         |
| Stocks  |       | 1,889,213          |                         | 1,587,124          |                         |
| Debtors   | 4     | 359,014            |                         | 462,522            |                         |
| Cash at bank and in hand                              |       | 703,909            |                         | 602,973            |                         |
|   |       | <u>2,952,136</u>   |                         | <u>2,652,619</u>   |                         |
| <b>Creditors: amounts falling due within one year</b> | 5     | <u>(1,679,985)</u> |                         | <u>(1,514,853)</u> |                         |
| <b>Net current assets</b>                             |       |                    | <u>1,272,151</u>        |                    | <u>1,137,766</u>        |
| <b>Total assets less current liabilities</b>          |       |                    | <u>1,518,341</u>        |                    | <u>1,290,050</u>        |
| <b>Provisions for liabilities</b>                     | 6     |                    | <u>(27,851)</u>         |                    | <u>(13,582)</u>         |
| <b>Net assets</b>                                     |       |                    | <u><u>1,490,490</u></u> |                    | <u><u>1,276,468</u></u> |
| <b>Capital and reserves</b>                           |       |                    |                         |                    |                         |
| Called up share capital                               | 7     |                    | 8,430                   |                    | 8,698                   |
| Capital redemption reserve                            |       |                    | 1,072                   |                    | 804                     |
| Profit and loss reserves                              |       |                    | <u>1,480,988</u>        |                    | <u>1,266,966</u>        |
| <b>Total equity</b>                                   |       |                    | <u><u>1,490,490</u></u> |                    | <u><u>1,276,468</u></u> |

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 October 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

# GROWELL HYDROPONICS AND PLANT LIGHTING LTD

## BALANCE SHEET (CONTINUED)

AS AT 31 OCTOBER 2018

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The financial statements were approved by the board of directors and authorised for issue on 04/04/2019 and are signed on its behalf by:



J E Henry  
Director

Company Registration No. 02862671

# GROWELL HYDROPONICS AND PLANT LIGHTING LTD

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2018

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### 1 Accounting policies

#### Company information

Growell Hydroponics and Plant Lighting Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 3 Coventry Innovation Village, Cheetah Road, Coventry, CV1 2TL.

#### 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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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. The principal accounting policies adopted are set out below.

#### 1.2 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.

#### 1.3 Tangible fixed assets

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

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

|                                  |  |
|----------------------------------|--|
| Leasehold land and buildings     | 10% straight line and over the term of the lease |
| Plant and machinery              | 20% straight line                                |
| Fixtures, fittings and equipment | 20% straight line                                |
| Computer equipment               | 33.3% straight line                              |
| Motor vehicles                   | 25% straight line                                |

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.

#### 1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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.

#### 1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

#### 1.6 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# GROWELL HYDROPONICS AND PLANT LIGHTING LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2018

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### 1 Accounting policies

(Continued)

#### 1.7 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.

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 in the profit and loss account in other administrative expenses.

#### 1.8 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.

#### 1.9 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.

#### 1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

#### 1.11 Retirement benefits

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

# GROWELL HYDROPONICS AND PLANT LIGHTING LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2018

### 1 Accounting policies

(Continued)

#### 1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

#### 1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

### 2 Employees

The average monthly number of persons ( including Directors) employed by the company during the year was 4 ( 2017 - 4)

### 3 Tangible fixed assets

|                                    | Land and<br>buildings | Plant and<br>machinery<br>etc | Total     |
|------------------------------------|-----------------------|-------------------------------|-----------|
|                                    | £                     | £                             | £         |
| <b>Cost</b>                        |                       |                               |           |
| At 1 November 2017                 | 358,626               | 548,263                       | 906,889   |
| Additions                          | 58,561                | 96,156                        | 154,717   |
| Disposals                          | -                     | (23,105)                      | (23,105)  |
| At 31 October 2018                 | 417,187               | 621,314                       | 1,038,501 |
| <b>Depreciation and impairment</b> |                       |                               |           |
| At 1 November 2017                 | 236,166               | 518,438                       | 754,604   |
| Depreciation charged in the year   | 31,825                | 28,987                        | 60,812    |
| Eliminated in respect of disposals | -                     | (23,105)                      | (23,105)  |
| At 31 October 2018                 | 267,991               | 524,320                       | 792,311   |
| <b>Carrying amount</b>             |                       |                               |           |
| At 31 October 2018                 | 149,196               | 96,994                        | 246,190   |
| At 31 October 2017                 | 122,460               | 29,824                        | 152,284   |

# GROWELL HYDROPONICS AND PLANT LIGHTING LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2018

|   |                  |                  |
|---|------------------|------------------|
| <b>4 Debtors</b>  | <b>2018</b>      | <b>2017</b>      |
|   | <b>£</b>         | <b>£</b>         |
| <b>Amounts falling due within one year:</b>             |                  |                  |
| Trade debtors   | 150,986          | 271,527          |
| Other debtors   | 26,711           | 32,503           |
| Prepayments and accrued income                          | 181,317          | 158,492          |
|   | <u>359,014</u>   | <u>462,522</u>   |
| <b>5 Creditors: amounts falling due within one year</b> | <b>2018</b>      | <b>2017</b>      |
|   | <b>£</b>         | <b>£</b>         |
| Trade creditors   | 854,662          | 735,362          |
| Corporation tax   | 189,179          | 225,872          |
| Other taxation and social security                      | 112,751          | 179,498          |
| Other creditors   | 367,698          | 230,899          |
| Accruals and deferred income                            | 155,695          | 143,222          |
|   | <u>1,679,985</u> | <u>1,514,853</u> |
| <b>6 Provisions for liabilities</b>                     | <b>2018</b>      | <b>2017</b>      |
|   | <b>£</b>         | <b>£</b>         |
| Deferred tax liabilities                                | 27,851           | 13,582           |
| <b>7 Called up share capital</b>                        | <b>2018</b>      | <b>2017</b>      |
|   | <b>£</b>         | <b>£</b>         |
| <b>Ordinary share capital<br/>Issued and fully paid</b> |                  |                  |
| 8,430 Ordinary shares of £1 each                        | 8,430            | 8,698            |
|   | <u>8,430</u>     | <u>8,698</u>     |

On 1 June 2018 268 ordinary shares of £1 each were bought back by the company for cash consideration of £24,011 and subsequently cancelled.

# GROWELL HYDROPONICS AND PLANT LIGHTING LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2018

### 8 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

|  | 2018           | 2017             |
|--|----------------|------------------|
|  | £              | £                |
|  | 771,371        | 1,006,106        |
|  | <u>771,371</u> | <u>1,006,106</u> |

### 9 Events after the reporting date

In March 2019 1,071 ordinary shares of £1 each were bought back by the company for cash consideration of £95,955.20 and subsequently cancelled.

### 10 Related party transactions

The following amounts were outstanding at the reporting end date:

|  | 2018           | 2017           |
|--|----------------|----------------|
|  | £              | £              |
| <b>Amounts owed to related parties</b> |                |                |
| Key management personnel               | 218,159        | 146,205        |
|  | <u>218,159</u> | <u>146,205</u> |

The amounts due to key management personnel were repayable on demand and interest free.

### 11 Directors' transactions

| Description | %<br>Rate | Opening<br>balance<br>£ | Interest<br>charged<br>£ | Amounts<br>repaid<br>£ | Closing<br>balance<br>£ |
|-------------|-----------|-------------------------|--------------------------|------------------------|-------------------------|
| Loan        | 4.00      | 17,686                  | 809                      | (910)                  | 17,585                  |
|             |           | <u>17,686</u>           | <u>809</u>               | <u>(910)</u>           | <u>17,585</u>           |