

Company Registration No. 03620884 (England and Wales)

**MORLEY NURSERIES (WAKERING) LTD**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**  
**PAGES FOR FILING WITH REGISTRAR**

**Richard** .

# MORLEY NURSERIES (WAKERING) LTD

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# MORLEY NURSERIES (WAKERING) LTD

## BALANCE SHEET

AS AT 31 DECEMBER 2017

	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Tangible assets	3		562,329		603,773
<b>Current assets</b>					
Stocks		465,134		452,766	
Debtors	4	33,910		39,952	
Cash at bank and in hand		151,299		121,170	
		<u>650,343</u>		<u>613,888</u>	
<b>Creditors: amounts falling due within one year</b>	5	<u>(410,258)</u>		<u>(414,356)</u>	
<b>Net current assets</b>			240,085		199,532
<b>Total assets less current liabilities</b>			802,414		803,305
<b>Creditors: amounts falling due after more than one year</b>	6		(182,653)		(207,060)
<b>Provisions for liabilities</b>			<u>(44,998)</u>		<u>(63,421)</u>
<b>Net assets</b>			<u>574,763</u>		<u>532,824</u>
<b>Capital and reserves</b>					
Called up share capital	8		100		100
Revaluation reserve			176,571		198,643
Profit and loss reserves			<u>398,092</u>		<u>334,081</u>
<b>Total equity</b>			<u>574,763</u>		<u>532,824</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 December 2017 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.

## **MORLEY NURSERIES (WAKERING) LTD**

### **BALANCE SHEET (CONTINUED)**

***AS AT 31 DECEMBER 2017***

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The financial statements were approved by the board of directors and authorised for issue on 6 September 2018 and are signed on its behalf by:

RB Wright  
**Director**

Mrs L Wright  
**Director**

**Company Registration No. 03620884**

# MORLEY NURSERIES (WAKERING) LTD

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

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### 1 Accounting policies

#### Company information

Morley Nurseries (Wakering) Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Grosvenor House, Southend Road, Great Wakering, Southend-on-Sea, Essex, SS3 0PU.

#### 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, modified to include the revaluation of freehold properties and certain financial instruments at fair value. 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.

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.

#### 1.3 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.

Tangible fixed assets include fixed plant and equipment which is stated at its fair value less depreciation. In the opinion of the directors, the treatment adopted in the financial statements is necessary in order to give a true and fair view. Other assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Fixed plant and equipment	0% to 15% reducing balance and straight line
Plant and machinery	15% reducing balance
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.

# MORLEY NURSERIES (WAKERING) LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

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### 1 Accounting policies

(Continued)

#### 1.4 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.

#### 1.5 Cash and cash equivalents

Cash at bank and in hand 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.

#### 1.6 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.

##### **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 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.

# MORLEY NURSERIES (WAKERING) LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

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### 1 Accounting policies

(Continued)

#### 1.7 Equity instruments

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

#### 1.8 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.

#### 1.9 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.

#### 1.10 Retirement benefits

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

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 49 (2016 - 39).

# MORLEY NURSERIES (WAKERING) LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

### 3 Tangible fixed assets

	Fixed plant and equipment £	Other £	Total £
<b>Cost or valuation</b>			
At 1 January 2017	744,319	192,238	936,557
Additions	44,850	15,612	60,462
Disposals	-	(42,458)	(42,458)
At 31 December 2017	789,169	165,392	954,561
<b>Depreciation and impairment</b>			
At 1 January 2017	233,208	99,576	332,784
Depreciation charged in the year	72,369	15,379	87,748
Eliminated in respect of disposals	-	(28,300)	(28,300)
At 31 December 2017	305,577	86,655	392,232
<b>Carrying amount</b>			
At 31 December 2017	483,592	78,737	562,329
At 31 December 2016	511,111	92,662	603,773

If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

	2017 £	2016 £
Cost	722,209	715,842
Accumulated depreciation	(346,342)	(310,712)
Carrying value	375,867	405,130

The company's fixed plant and equipment was valued by an external valuer Mr. M. E. Hughes FRICS, FAAV, FNAEA on 15 June 2007 on a fair value basis. The valuation complies with the RICS Appraisal and Valuation Manual. Fixed plant and equipment is shown at its fair value less depreciation with subsequent additions at cost. All other categories of fixed assets are carried at cost.



## MORLEY NURSERIES (WAKERING) LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

<b>4 Debtors</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Amounts falling due within one year:		
Trade debtors	3,811	18,001
Other debtors	30,099	21,951
	<u>33,910</u>	<u>39,952</u>
	<u><u>33,910</u></u>	<u><u>39,952</u></u>
<b>5 Creditors: amounts falling due within one year</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Bank loans	24,180	22,845
Trade creditors	172,817	183,616
Corporation tax	76,750	78,000
Other taxation and social security	39,365	32,089
Other creditors	97,146	97,806
	<u>410,258</u>	<u>414,356</u>
	<u><u>410,258</u></u>	<u><u>414,356</u></u>
<p>Bank borrowings are secured by personal guarantees given by B Wright and Mrs A Wright with a maximum liability of £150,000 (2016: £150,000) and supported by a legal charge over Grosvenor Nursery, Southend Road, Great Wakering, Essex.</p>		
<b>6 Creditors: amounts falling due after more than one year</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Bank loans	182,653	207,060
	<u>182,653</u>	<u>207,060</u>
Creditors which fall due after five years are as follows:	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Payable by instalments	81,260	108,795
	<u>81,260</u>	<u>108,795</u>
<b>7 Provisions for liabilities</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Deferred tax liabilities	44,998	63,421
	<u>44,998</u>	<u>63,421</u>

## MORLEY NURSERIES (WAKERING) LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

#### 8 Called up share capital

	2017	2016
	£	£
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
30 Ordinary A shares of £1 each	30	30
30 Ordinary B shares of £1 each	30	30
15 Ordinary C shares of £1 each	15	15
10 Ordinary D shares of £1 each	10	10
5 Ordinary E shares of £1 each	5	5
5 Ordinary F shares of £1 each	5	5
5 Ordinary G shares of £1 each	5	5
	<u>100</u>	<u>100</u>

#### 9 Operating lease commitments

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

2017	2016
£	£
<u>2,600</u>	<u>5,720</u>

#### 10 Related party transactions

The company operates from land owned by the Directors and shareholders. The land was provided on a rent free basis during this and the previous year.

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.