

Company registration number 05202816 (England and Wales)

GARDENING EXPRESS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

GARDENING EXPRESS LIMITED

COMPANY INFORMATION

Director Mr C D Bonnett

Company number 05202816

Registered office 1386 Londor. Road
Leigh on Sea
Essex
England
SS9 2UJ

Auditor Francis James & Partners LLP
1386 Londor. Road
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GARDENING EXPRESS LIMITED

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GARDENING EXPRESS LIMITED
STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

The director presents the strategic report for the year ended 31 December 2022.

Principal activities

The principal activity of the company continued to be that of the sale of plants via an internet based mail order system. During the year the company also started selling garden furniture via its internet based mail order systems.

Review of the business

As expected and experienced by most companies within the internet based sector the company's turnover contracted during the year. The director had budgeted for a 30% reduction in turnover, the actual reduction in turnover was slightly less than this. The effects of the pandemic on the turnover has now eased, with garden centres now fully open.

The turnover for the year ended 31 December 2022 is nearly twice the turnover for the year ended 31 December 2019, the last reporting year prior to the pandemic.

Despite the drop in turnover and increased costs, the company has maintained a healthy level of profitability.

The company has also invested in expanding the range of goods it is able to offer its customers. This is expected to improve sales during the 2023 season.

Principal risks and uncertainties

The principal risks and uncertainties that effect the company are as follows;

The weather is a key contributing factor in the sales performance of the company. This is especially true during the busy spring period. If the weather is good during the early part of the spring season, then this traditionally drives higher sales throughout the rest of this period. Given that the company's main product mix, is for garden plants, which are traditionally purchased during this part of the year, the weather conditions can either increase or suppress the sales volumes. During 2022 the spring season started later than usual due to poor weather at the start of the year.

The reputation of the company as a trusted supplier of goods to the general public is also a potential risk. The company endeavors to ensure that the customer experience is as positive as possible. It has also invested heavily in its customer service department to ensure that any queries or complaints are dealt with as quickly and efficiently as possible. This often involves the educating the company's customers in how plants grow and develop over the various seasons during the year. To this effect the company is continuing to work with specialist web-site designers to increase the knowledge content of its web-site. Given the large product range offered by the company, this process is likely to be a medium term project, but it is expected to provide long term benefits to both the customer and the company.

GARDENING EXPRESS LIMITED
STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Key performance indicators

The key financial performance indicators for the company are its turnover, gross profit percentage, the proportion of the turnover spent on labour costs and the proportion of turnover spent on internet advertising.

As a retail business the turnover of the company is important to drive the rest of the business. Despite this the company has a policy of not pushing for turnover purely to maintain a high level of sales. The company will only sell products on which it can either make a reasonable gross profit margin, or to encourage customers to increase the overall spend in their shopping basket. During the year the turnover dropped from the previous year. This was expected due to the full opening of the traditional garden centres. The company is continuing to monitor its turnover to ensure that it remains sustainable and where possible is driven by returning customers.

The gross profit percentage is an important indicator as it ensures that the sales the company makes are being made at a reasonable margin in order to fund for the overheads and retained earnings of the business. During the year the gross profit in respect of the purchase cost of the goods sold improved, with concentration of efficient purchasing of goods.

The percentage of turnover spent on labour costs is an important financial indicator as the cost of labour is a large proportion of the expenses of the business. As is similar to all horticultural businesses the labour input is used not only the processing of the current orders, and the care of fast moving stock, but also the growing of crops for future sale. During the year the labour costs as a percentage of turnover increased. This was due to the decrease in turnover, which allowed that the labour force to spend more time on growing future crops and the increased cost of labour, due to the shortage of available labour in the market place.

The other main key financial performance indicator is the cost of the internet advertising as a percentage of turnover. This is important as it is a monitor of the effectiveness of the internet based advertising campaigns on driving turnover. During the year the company reduced this percentage slightly. Due to the high prices being charged by the internet based advertisers and search engines, the company has further developed its plans to reduce its reliance on this method of driving sales volumes. It is developing the knowledge base within its own websites. The company will then be able to increase its organic customer capture program, thereby reducing the cost of the advertising needed to maintain or increase the turnover.

Other performance indicators

Being an internet based company the company carefully monitors various web based statistics.

It monitors the web traffic to its sites together with the sources of these visits and the effectiveness of any advertising or social media campaigns.

The company also monitors the size of its GDPR compliant database this provides an important indication of the level of regular and engaged customers.

On behalf of the board

Mr C D Bonnett
Director

28 September 2023

GARDENING EXPRESS LIMITED

DIRECTOR'S RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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. He is 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.

GARDENING EXPRESS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF GARDENING EXPRESS LIMITED

Opinion

We have audited the financial statements of Gardening Express Limited (the 'company') for the year ended 31 December 2022 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including 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 company's affairs as at 31 December 2022 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's 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 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 director with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The director is responsible for the other information contained within the annual report. 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. 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 course of 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 our audit:

- the information given in the strategic report and the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's report have been prepared in accordance with applicable legal requirements.

GARDENING EXPRESS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBER OF GARDENING EXPRESS LIMITED

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 strategic report or the director's report.

We have nothing to report in respect of the following matters in relation to which 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 remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of director

As explained more fully in the director's responsibilities statement, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

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.

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

- The nature of the industry and sector, control environment and business performance including the design of the company's policies, key drivers for directors remuneration;
- results of our enquiries of management, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of noncompliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;

The matters discussed among the audit engagement team including significant component audit teams and involving relevant internal specialists, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

GARDENING EXPRESS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBER OF GARDENING EXPRESS LIMITED

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management and external legal counsel concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the rationale of any significant transactions that are unusual or outside the normal course of operations.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or noncompliance with laws and regulations throughout the audit.

A further description of our responsibilities is available on the Financial Reporting Council's website at:
<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Key audit matters which we are required to address

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. Key audit matters are not intended to represent all matters that were discussed with them. Our audit procedures relating to these matters were designed in the context of our audit of the financial statements as a whole. Our opinion on the financial statements is not modified with respect to any of the key audit matters described below, and we do not express an opinion on these individual matters.

Use of our report

This report is made solely to the company's member 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 member those matters we are required to state to the member 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 member, for our audit work, for this report, or for the opinions we have formed.

Julian Francis FCA
Senior Statutory Auditor
For and on behalf of Francis James & Partners LLP

29 September 2023

Chartered Accountants
Statutory Auditor

1386 London Road
Leigh on Sea
Essex
England
SS9 2UJ

GARDENING EXPRESS LIMITED
DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

The director presents his annual report and financial statements for the year ended 31 December 2022.

Principal activities

The principal activity of the company continued to be that of the sale of plants via an internet based mail order system. During the year the company also started selling garden furniture via its internet based mail order systems.

Results and dividends

The profit for the year has been included in these Accounts of £103,318 (2021: profit of £216,171).

No ordinary dividends were paid. The director does not recommend payment of a final dividend.

Director

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

Mr C D Bonnett

Fixed assets

The company has continued to invest in its facilities and web-sites.

The investment in the facilities are to improve the working conditions and all year capabilities of the business, allowing it to cope with higher order volumes more efficiently.

The developments in the web-site is ongoing, to improve its customer usability, back office security and built-in knowledge base. This is to ensure the site is as future proof as possible and provides the customers with the best online experience.

Financial instruments

The company has maintained its traditional approach to financing its activities using only bank borrowings when necessary. During the year the company refinanced its operations using a Corona Virus Business Interruption loan. This provided additional working capital to invest in stock for the 2022 season and future years. The director will monitor this facility and other available to it in order to ensure it remain the most suitable product for the company.

The company continues to maintain its low risk approach to funding its asset, stock purchases and working capital requirements. The company continue to use traditional bank finance wherever possible. The company will also continue in its policy of reinvesting any surplus funds in its operations.

The company continues its policy of a prudent liquidity risk management program. It maintains sufficient cash balances or overdraft facilities to ensure its continued trading operations. The company has the availability of cash and borrowing facilities to ensure it can continue trading for the next 12 months.

Like all businesses the company is exposed to changes and fluctuations in the interest rates, either paid to its funders or received on deposits held. The company traditionally uses its overdraft facility during the quiet winter season and has funds on deposit during the busy spring/summer season. This mitigates the risk from changes in interest rates.

The company continually monitors the changes in the exchange rates for the main currencies which it purchases goods in. Where possible it uses the credit terms available from its suppliers to ensure that settlements are made when the exchange rates are as favourable as can be reasonable expected for the foreseeable future.

As a predominantly retail business the company does not consider that it is exposed to credit risks.

GARDENING EXPRESS LIMITED

DIRECTOR'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Future developments

The company has continued its work on various projects to enhance its profile in the gardening market place. During 2022 the company introduced a range of garden furniture to enhance its product ranges. This is expected to be a slow growing sector of the market for the company. At present the customer base will perceive the company as being a "plant only" supplier. To this effect the company will gradually increase its profile in this new sector of the market to it.

The company has also been working on its own brand of compost and garden tools. The own brand compost is now being sold to its customers and is gradually building its market share. The garden tools are now available ready for the 2023 season.

As part of the company's plan to enhance its standing in the gardening sector it has been developing its own garden based magazine. The launch issue was published in the Spring of 2022 and has been sent to a sample of the company's customer base to obtain feedback for the future development of the magazine. If the initial print run and circulation of 80,000 is maintained the magazine will be in the top 5 gardening based magazines in the UK by circulation. The company is analysing the feedback and reviewing the best approach for future issues.

Auditor

The auditor, Francis James & Partners LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Energy and carbon report

[Amend this as an introductory paragraph or use as an explanation concerning lower user status] As the company has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

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 C D Bonnett

Director

28 September 2023

GARDENING EXPRESS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

| | Notes | 2022 £ | 2021 £ |
|--|----------|-----------|-------------|
| Gross profit | | 1,184,734 | 1,603,951 |
| Administrative expenses | | (990,758) | (1,315,916) |
| Operating profit | 4 | 193,976 | 288,035 |
| Interest receivable and similar income | 7 | 29 | 44 |
| Interest payable and similar expenses | 8 | (41,067) | (14,418) |
| Profit before taxation | | 152,938 | 273,661 |
| Tax on profit | 9 | (49,620) | (57,490) |
| Profit for the financial year | | 103,318 | 216,171 |

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

GARDENING EXPRESS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2022

| | 2022 £ | 2021 £ |
|--|----------------|----------------|
| Profit for the year | 103,318 | 216,171 |
| Other comprehensive income | - | - |
| Total comprehensive income for the year | <u>103,318</u> | <u>216,171</u> |

GARDENING EXPRESS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2022

| | | 2022 | | 2021 | |
|--|-------|-------------|------------------|-------------|------------------|
| | Notes | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Goodwill | 10 | | 1 | | 1 |
| Other intangible assets | 10 | | 218,291 | | 76,819 |
| | | | <u>218,292</u> | | <u>76,820</u> |
| Total intangible assets | | | 218,292 | | 76,820 |
| Tangible assets | 11 | | 555,693 | | 454,079 |
| | | | <u>773,985</u> | | <u>530,899</u> |
| Current assets | | | | | |
| Stocks | 12 | 3,193,865 | | 2,166,224 | |
| Debtors | 13 | 2,851,547 | | 3,035,301 | |
| Cash at bank and in hand | | 26,209 | | 774,973 | |
| | | | <u>6,071,621</u> | | <u>5,976,498</u> |
| Creditors: amounts falling due within one year | | | | | |
| | 15 | (2,453,850) | | (1,922,610) | |
| | | | <u>3,617,771</u> | | <u>4,053,888</u> |
| Net current assets | | | | | |
| | | | <u>3,617,771</u> | | <u>4,053,888</u> |
| Total assets less current liabilities | | | 4,391,756 | | 4,584,787 |
| Creditors: amounts falling due after more than one year | | | | | |
| | 16 | (1,090,770) | | (1,436,739) | |
| Provisions for liabilities | | | | | |
| Deferred tax liability | 17 | 97,537 | | 47,917 | |
| | | | <u>(97,537)</u> | | <u>(47,917)</u> |
| Net assets | | | <u>3,203,449</u> | | <u>3,100,131</u> |
| Capital and reserves | | | | | |
| Called up share capital | 19 | | 1,000 | | 1,000 |
| Profit and loss reserves | | | 3,202,449 | | 3,099,131 |
| | | | <u>3,203,449</u> | | <u>3,100,131</u> |
| Total equity | | | <u>3,203,449</u> | | <u>3,100,131</u> |

The financial statements were approved and signed by the director and authorised for issue on 29 September 2023

Mr C D Bonnett
Director

Company registration number 05202816 (England and Wales)

GARDENING EXPRESS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2022

| | Share capital | Profit and loss reserves | Total |
|---------------------------------------|---------------|-----------------------------|-----------|
| | £ | £ | £ |
| Balance at 1 January 2021 | 1,000 | 2,882,960 | 2,883,960 |
| Year ended 31 December 2021: | | | |
| Profit and total comprehensive income | - | 216,171 | 216,171 |
| Balance at 31 December 2021 | 1,000 | 3,099,131 | 3,100,131 |
| Year ended 31 December 2022: | | | |
| Profit and total comprehensive income | - | 103,318 | 103,318 |
| Balance at 31 December 2022 | 1,000 | 3,202,449 | 3,203,449 |

GARDENING EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

Gardening Express Limited is a private company limited by shares incorporated in England and Wales. The registered office is 1386 London Road, Leigh on Sea, Essex, England, SS9 2UJ.

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. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value: basis of determining fair values: details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Gardening Express Group Holdings Limited. These consolidated financial statements are available from its registered office, 1386 London Road, Leigh on Sea, Essex SS9 2UJ.

1.2 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues 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 provided in the normal course of business, and is shown net of VAT and other sales related taxes.

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.

GARDENING EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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 10 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 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

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

| | |
|-----------------------------------|----------------------------------|
| Software and Web-site development | 5 - 10 years straight line basis |
|-----------------------------------|----------------------------------|

1.6 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:

| | |
|-----------------------|----------------------|
| Plant and equipment | 20% reducing balance |
| Fixtures and fittings | 20% reducing balance |
| Computers | 33% on cost |

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.

1.7 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.

GARDENING EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

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.

1.8 Stocks

Non-growing 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. The company recognises the value of stock received from foreign suppliers when the goods have been received and accepted.

The valuation of the stocks of growing crops is on a fair market value basis, this includes provision for any increase in value as the crop grows and matures into a higher value item.

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.

1.9 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.

1.10 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.

GARDENING EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

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.

The company values its growing crops at fair market value. The valuation of the fair market value of the growing stocks, is based upon the estimated selling price for the product, based upon its size and condition at the date of valuation, less any sales taxes, less the cost of packaging, delivery and any costs of marketing the goods.

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. The liabilities to foreign suppliers was previously recognised as a liability and asset, when the goods had been approved and paid for. The company now recognises the liability and assets on receipt of the goods.

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.

GARDENING EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

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.

Derecognition of financial liabilities

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

1.11 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.

1.12 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.

1.14 Retirement benefits

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

1.15 Leases

GARDENING EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies (Continued)

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.16 Foreign exchange

The company records its purchases made in currencies other than sterling at the exchange rate prevailing at the date of payment. Any exchange difference (either gain or loss) is not likely to be material, or require separate disclosure within the financial statements, nor will it reduce or inflate the net profits disclosed. At the balance sheet date the assets and liabilities of the company, held in currencies other than sterling, are converted at the prevailing exchange rate at that date. Any exchange differences relating to the conversion of creditors is disclosed separately within the financial statements.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is 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.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Stock valuation

The stocks of the company are valued at fair market value for the growing stock and materials. The other garden products (such as garden furniture) is valued at the lower of cost and net realisable value.

The calculation of these values, requires judgements to be made in respect of the demand for the stock the stock being in a suitable condition for it to be sold, the cost of continuing to maintain the health of the stock and the costs of selling these products.

Depreciation

When calculating the appropriate depreciation and amortisation rates, it is necessary to make judgements about the useful economic life of the assets. The future income streams those assets can assist the company in producing and the likely residual value of the assets.

3 Turnover and other revenue

| | 2022 £ | 2021 £ |
|---|-------------------|-------------------|
| Turnover analysed by class of business | | |
| Online retail | 12,520,988 | 17,249,853 |
| | <u> </u> | <u> </u> |
| | 2022 £ | 2021 £ |
| Other revenue | | |
| Interest income | 29 | 44 |
| | <u> </u> | <u> </u> |

GARDENING EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

3 Turnover and other revenue (Continued)

All turnover for the company is generated in the United Kingdom.

4 Operating profit

| | 2022 | 2021 |
|---|---------|---------|
| | £ | £ |
| Operating profit for the year is stated after charging/(crediting): | | |
| Exchange gains | (6,267) | - |
| Fees payable to the company's auditor for the audit of the company's financial statements | 5,500 | 5,500 |
| Depreciation of owned tangible fixed assets | 140,036 | 103,245 |
| Amortisation of intangible assets | 60,590 | 22,187 |
| Operating lease charges | 143,596 | 36,916 |

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

| | 2022 | 2021 |
|----------------------|--------|--------|
| | Number | Number |
| Administration | 12 | 19 |
| Web-site development | 3 | - |
| Total | 15 | 19 |

Their aggregate remuneration comprised:

| | 2022 | 2021 |
|-----------------------|---------|---------|
| | £ | £ |
| Wages and salaries | 316,524 | 400,593 |
| Social security costs | 16,555 | 33,518 |
| Pension costs | 4,622 | 22,971 |
| | 337,701 | 457,082 |

6 Director's remuneration

| | 2022 | 2021 |
|--------------------------------------|--------|--------|
| | £ | £ |
| Remuneration for qualifying services | 12,000 | 12,000 |

The Director is considered to be the only Key Member of Management.

During the year (and the previous year) the Director did not accrue any pension benefits.

GARDENING EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

| | | | |
|----------|---|----------------|----------------|
| 7 | Interest receivable and similar income | 2022 | 2021 |
| | | £ | £ |
| | Interest income | | |
| | Interest on bank deposits | 29 | 44 |
| | | <u>29</u> | <u>44</u> |
| | | 2022 | 2021 |
| | | £ | £ |
| | Investment income includes the following: | | |
| | Interest on financial assets not measured at fair value through profit or loss | 29 | 44 |
| | | <u>29</u> | <u>44</u> |
| 8 | Interest payable and similar expenses | 2022 | 2021 |
| | | £ | £ |
| | Interest on financial liabilities measured at amortised cost: | | |
| | Interest on bank overdrafts and loans | 30,473 | 12,411 |
| | Other finance costs: | | |
| | Other interest | 10,594 | 2,007 |
| | | <u>41,067</u> | <u>14,418</u> |
| 9 | Taxation | 2022 | 2021 |
| | | £ | £ |
| | Deferred tax | | |
| | Origination and reversal of timing differences | 49,620 | 57,490 |
| | | <u>49,620</u> | <u>57,490</u> |
| | 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: | | |
| | | 2022 | 2021 |
| | | £ | £ |
| | Profit before taxation | 152,938 | 273,661 |
| | | <u>152,938</u> | <u>273,661</u> |
| | Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%) | 29,058 | 51,996 |
| | Unutilised tax losses carried forward | 24,033 | - |
| | Group relief | - | 9,699 |
| | Permanent capital allowances in excess of depreciation | (53,091) | (61,694) |
| | Deferred tax movement | 49,620 | 57,489 |
| | | <u>49,620</u> | <u>57,490</u> |
| | Taxation charge for the year | <u>49,620</u> | <u>57,490</u> |

GARDENING EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

10 Intangible fixed assets

| | Goodwill | Software and Web-site development | Total |
|-----------------------------------|----------|-----------------------------------|---------|
| | £ | £ | £ |
| Cost | | | |
| At 1 January 2022 | 26,500 | 201,783 | 228,283 |
| Additions | - | 202,062 | 202,062 |
| At 31 December 2022 | 26,500 | 403,845 | 430,345 |
| Amortisation | | | |
| At 1 January 2022 | 26,499 | 124,964 | 151,463 |
| Amortisation charged for the year | - | 60,590 | 60,590 |
| At 31 December 2022 | 26,499 | 185,554 | 212,053 |
| Carrying amount | | | |
| At 31 December 2022 | 1 | 218,291 | 218,292 |
| At 31 December 2021 | 1 | 76,819 | 76,820 |

11 Tangible fixed assets

| | Plant and equipment | Fixtures and fittings | Computers | Total |
|----------------------------------|---------------------|-----------------------|-----------|-----------|
| | £ | £ | £ | £ |
| Cost | | | | |
| At 1 January 2022 | 840,286 | 12,132 | 13,018 | 865,436 |
| Additions | 234,967 | 47 | 6,636 | 241,650 |
| At 31 December 2022 | 1,075,253 | 12,179 | 19,654 | 1,107,086 |
| Depreciation | | | | |
| At 1 January 2022 | 396,497 | 6,549 | 8,311 | 411,357 |
| Depreciation charged in the year | 135,751 | 1,126 | 3,159 | 140,036 |
| At 31 December 2022 | 532,248 | 7,675 | 11,470 | 551,393 |
| Carrying amount | | | | |
| At 31 December 2022 | 543,005 | 4,504 | 8,184 | 555,693 |
| At 31 December 2021 | 443,789 | 5,583 | 4,707 | 454,079 |

During the year the company has invested in the Plant and Machinery and infrastructure at its main distribution centre to allow for future growth.

GARDENING EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

| | | | |
|-----------|---|------------------|------------------|
| 12 | Stocks | 2022 | 2021 |
| | | £ | £ |
| | Growing crops and materials | 2,195,769 | 2,166,224 |
| | Other garden products | 998,096 | - |
| | | <u>3,193,865</u> | <u>2,166,224</u> |
| 13 | Debtors | 2022 | 2021 |
| | | £ | £ |
| | Amounts falling due within one year: | | |
| | Trade debtors | 146,865 | 80,948 |
| | Amounts owed by group undertakings | 2,702,669 | 2,613,812 |
| | Other debtors | 2,013 | 340,541 |
| | | <u>2,851,547</u> | <u>3,035,301</u> |
| 14 | Loans and overdrafts | 2022 | 2021 |
| | | £ | £ |
| | Bank loans | 1,414,468 | 1,500,000 |
| | Bank overdrafts | 171,581 | - |
| | Other loans | 24,302 | 24,382 |
| | | <u>1,610,351</u> | <u>1,524,382</u> |
| | Payable within one year | 519,581 | 87,643 |
| | Payable after one year | <u>1,090,770</u> | <u>1,436,739</u> |

The long-term loans were guaranteed under the government backed Corona Virus Business Interruption loan scheme for up to 80% of any amounts outstanding. The balance was secured by a cross party guarantee from all fellow group members, a charge over the freehold garden centre (owned by a fellow group company) and a personal guarantee from the director.

After the balance sheet date this loan was settled and replaced by a new loan on more favourable terms. The new loan is secured over the freehold garden centre (owned by a fellow group company) and a personal guarantee from the director only.

The Corona Virus Business Interruption loan was to be repaid over a period of 6 years. Repayments commenced in September 2022.

The loan is subject to interest at 4.25% over Bank of England base rate.

GARDENING EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

15 Creditors: amounts falling due within one year

| | Notes | 2022 £ | 2021 £ |
|------------------------------------|-------|------------------|------------------|
| Bank loans and overdrafts | 14 | 519,581 | 87,643 |
| Trade creditors | | 1,162,082 | 855,291 |
| Amounts owed to group undertakings | | 1,933 | 1,933 |
| Corporation tax | | 209,624 | 279,175 |
| Other taxation and social security | | 167,693 | 329,493 |
| Other creditors | | 357,189 | 340,073 |
| Accruals and deferred income | | 35,748 | 29,002 |
| | | <u>2,453,850</u> | <u>1,922,610</u> |

16 Creditors: amounts falling due after more than one year

| | Notes | 2022 £ | 2021 £ |
|---------------------------|-------|------------------|------------------|
| Bank loans and overdrafts | 14 | 1,066,468 | 1,412,357 |
| Other borrowings | 14 | 24,302 | 24,382 |
| | | <u>1,090,770</u> | <u>1,436,739</u> |

17 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

| | Liabilities 2022 £ | Liabilities 2021 £ |
|--------------------------------|--------------------------|--------------------------|
| Balances: | | |
| Accelerated capital allowances | <u>97,537</u> | <u>47,917</u> |
| Movements in the year: | | 2022 £ |
| Liability at 1 January 2022 | | 47,917 |
| Charge to profit or loss | | <u>49,620</u> |
| Liability at 31 December 2022 | | <u>97,537</u> |

In the budget on 3rd March 2021, the UK Government announced an increase in the main UK Corporation Tax rate from 19% to 25% with effect from 1st April 2023. Deferred tax has been calculated at 25% which was the rate substantially enacted as at 31st December 2022.

GARDENING EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

18 Retirement benefit schemes

| | 2022 | 2021 |
|---|-------------------|-------------------|
| | £ | £ |
| Defined contribution schemes | | |
| Charge to profit or loss in respect of defined contribution schemes | 4,622 | 22,971 |
| | <u> </u> | <u> </u> |

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.

19 Share capital

| | 2022 | 2021 | 2022 | 2021 |
|----------------------------|-------------------|-------------------|-------------------|-------------------|
| | Number | Number | £ | £ |
| Ordinary share capital | | | | |
| Issued and fully paid | | | | |
| Ordinary shares of £1 each | 1,000 | 1,000 | 1,000 | 1,000 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

20 Operating lease commitments

Lessee

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

| | 2022 | 2021 |
|----------------------------|-------------------|-------------------|
| | £ | £ |
| Between two and five years | 33,296 | 33,296 |
| | <u> </u> | <u> </u> |

21 Related party transactions

During the year the company rented part of its nursery facilities from the director for £26,823.

During the year the company paid management charges of £0 (2021: £365,000) to a fellow subsidiary company.

At the balance sheet date the company owed the director the sum of £303,007, which is considered to be due within 1 year. There is a further balance of £24,302 which is considered to be due after 1 year.

22 Ultimate controlling party

The immediate parent company of Gardening Express Limited is Pieces Trading Limited.

These financial statements are consolidated into the financial statements of Gardening Express Group Holdings Limited. Copies of these financial statements can be obtained from the registered office, 1386 London Road, Leigh on Sea, Essex, SS9 2UJ

The ultimate holding company of the group is Gardening Express Group Holdings Limited.

The ultimate controlling party is considered to be Mr. C Bonnett, as the shareholder of Gardening Express Group Holdings Limited.

The largest group into which these financial statements are consolidated is Gardening Express Group Holdings Limited.

The smaller group to which the company is a member is exempt from preparing consolidated financial statements.

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.