

Company registration number: 07556082

Leabank Nursery Ltd

Unaudited abridged financial statements

31 December 2016



Leabank Nursery Ltd

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Directors and other information

Directors

Milena Faranda
Ivana Faranda
Antonino Faranda Jnr

Company number

07556082

Registered office

Sedge Green
Roydon
Essex
CM19 5JR

Leabank Nursery Ltd

**Abridged statement of financial position
31 December 2016**

	Note	2016 £	£	2015 £	£
Fixed assets					
Intangible assets	6	233,750		288,750	
Tangible assets	7	67,629		60,887	
			301,379		349,637
Current assets					
Debtors		4,946		-	
Cash at bank and in hand		22,949		3,080	
		27,895		3,080	
Creditors: amounts falling due within one year		(102,578)		(135,297)	
Net current liabilities			(74,683)		(132,217)
Total assets less current liabilities			226,696		217,420
Provisions for liabilities			(7,914)		(5,333)
Net assets			218,782		212,087
Capital and reserves					
Called up share capital			5		5
Profit and loss account			218,777		212,082
Shareholders funds			218,782		212,087

For the year ending 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors responsibilities:

- The shareholders have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.


In accordance with section 444 of the Companies Act 2006, the abridged statement of income and retained earnings has not been delivered.

The notes on pages 5 to 8 form part of these financial statements.

Leabank Nursery Ltd

Abridged statement of financial position (continued)
31 December 2016

These financial statements were approved by the board of directors and authorised for issue on 10 March 2017, and are signed on behalf of the board by:



Antonino Faranda Jnr
Director

Company registration number: 07556082

The notes on pages 5 to 9 form part of these financial statements.

Leabank Nursery Ltd

Notes to the financial statements Year ended 31 December 2016

1. General information

The company is a private company limited by shares, registered in United Kingdom. The address of the registered office is Lea Bank Nursery, Sedge Green, Roydon, Essex, CM19 5JR.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 January 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 10.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

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

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed five years.

Leabank Nursery Ltd

Notes to the financial statements (continued) **Year ended 31 December 2016**

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	- 10%	straight line
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	- 10%	reducing balance
Fittings fixtures and equipment	- 33%	straight line

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Leabank Nursery Ltd

Notes to the financial statements (continued)
Year ended 31 December 2016

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

4. Staff costs

The average number of persons employed by the company during the year, including the directors was 2 (2015: 2).

5. Profit before taxation

Profit before taxation is stated after charging/(crediting):

	2016	2015
	£	£
Amortisation of intangible assets	55,000	55,000
Depreciation of tangible assets	<u>7,758</u>	<u>6,978</u>

6. Intangible assets

	£
Cost	
At 1 January 2016 and 31 December 2016	<u>550,000</u>
Amortisation	
At 1 January 2016	261,250
Charge for the year	<u>55,000</u>
At 31 December 2016	<u>316,250</u>
Carrying amount	
At 31 December 2016	<u>233,750</u>
At 31 December 2015	<u>288,750</u>

Leabank Nursery Ltd

Notes to the financial statements (continued)
Year ended 31 December 2016

7. Tangible assets

	£
Cost	
At 1 January 2016	114,343
Additions	14,500
At 31 December 2016	<u>128,843</u>
Depreciation	
At 1 January 2016	53,456
Charge for the year	7,758
At 31 December 2016	<u>61,214</u>
Carrying amount	
At 31 December 2016	<u>67,629</u>
At 31 December 2015	<u>60,887</u>

8. Related party transactions

During the year the company received rent of £270,000 (31 December 2015 - £292,500) from Sedge Green Salads Limited, a company which Mr A Faranda Jnr is also a director. There was no balance owed by Sedge Green Salads Limited to the company at the balance sheet date. All transactions were carried out on an arm's length basis.

During the year the company rented premises from Mr A. and Mrs V. Faranda. The rent paid of £35,000 (31 December 2015 - £35,000), is considered to be a fair commercial rent. There was no balance owed to Mr and Mrs Faranda by the company at the year end date.

9. Controlling party

The directors are considered to be the ultimate controlling party by virtue of their ability to act in concert in respect of the operational and financial policies of the company.

10. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 January 2015.

Reconciliation of equity

No transitional adjustments were required.

Reconciliation of profit or loss for the year

No transitional adjustments were required.