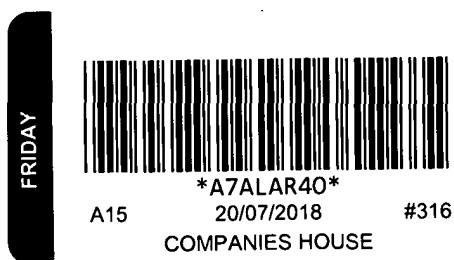


Financial Statements

GCH Growers Limited

For the Period Ended 4 November 2017



Registered number: 07882029

Company Information

| | |
|----------------------------|---|
| Directors | D Thompson C J Shropshire H J Shropshire G W Shropshire |
| Registered number | 07882029 |
| Registered office | Hailey Farm Barway Ely Cambridgeshire CB7 5TZ |
| Independent auditor | Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Victoria House 199 Avebury Boulevard Milton Keynes MK9 1AU |

Balance Sheet

As at 4 November 2017

| | Note | 4 November 2017 £ | 5 November 2016 £ |
|--|------|-------------------------|-------------------------|
| Fixed assets | | | |
| Tangible assets | 5 | 645,693 | 536,052 |
| Investments | 6 | 30,000 | 30,000 |
| | | <u>675,693</u> | <u>566,052</u> |
| Current assets | | | |
| Stocks | 7 | 3,085,641 | 1,818,857 |
| Debtors: amounts falling due within one year | 8 | 790,150 | 864,567 |
| Cash at bank and in hand | 9 | 1,158,357 | 1,508,908 |
| | | <u>5,034,148</u> | <u>4,192,332</u> |
| Creditors: amounts falling due within one year | 10 | (1,918,285) | (1,919,451) |
| Net current assets | | <u>3,115,863</u> | <u>2,272,881</u> |
| Total assets less current liabilities | | <u>3,791,556</u> | <u>2,838,933</u> |
| Net assets | | <u><u>3,791,556</u></u> | <u><u>2,838,933</u></u> |
| Capital and reserves | | | |
| Called up share capital | | 1 | 1 |
| Profit and loss account | | 3,791,555 | 2,838,932 |
| | | <u><u>3,791,556</u></u> | <u><u>2,838,933</u></u> |

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
13 April 2018



D Thompson
Director

The notes on pages 2 to 9 form part of these financial statements.

Notes to the Financial Statements

For the Period Ended 4 November 2017

1. General information

GCH Growers Limited is a private company limited by shares and is registered in England and Wales.

Registered number: 07882029.

Registered address: Hailey Farm, Barway, Ely, Cambridgeshire, CB7 5TZ.

The principal activity of the company is farming.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Notes to the Financial Statements

For the Period Ended 4 November 2017

2. Accounting policies (continued)

2.3 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

| | |
|-------------------|--|
| Plant & machinery | - 25% reducing balance & 4 years straight line |
|-------------------|--|

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

2.4 Investments

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.5 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.8 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors and investments in non-puttable ordinary shares.

Notes to the Financial Statements

For the Period Ended 4 November 2017

2. Accounting policies (continued)

2.8 Financial instruments (continued)

Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

2.9 Creditors

Short term creditors are measured at the transaction price.

2.10 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.11 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt.

Notes to the Financial Statements

For the Period Ended 4 November 2017

2. Accounting policies (continued)

2.12 Leased assets: the Company as lessee

Assets obtained under hire purchase contract and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of comprehensive income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.13 Interest income

Interest income is recognised in the Statement of comprehensive income.

2.14 Taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Fixed assets

Depreciation is charged with due consideration to the useful economic life and residual value of fixed assets and the continuing appropriateness of the applied policy is considered on an annual basis by the directors.

Stock Provisions

Stocks are assessed for impairment at each reporting date based on the directors' best estimate of net realisable values with reference to quoted market or contract prices.

4. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2016 - £NIL).

Notes to the Financial Statements

For the Period Ended 4 November 2017

5. Tangible fixed assets

| | Plant & machinery £ |
|---------------------------------------|---------------------------|
| Cost or valuation | |
| At 6 November 2016 | 945,906 |
| Additions | 352,000 |
| Disposals | (215,000) |
| At 4 November 2017 | <u>1,082,906</u> |
| Depreciation | |
| At 6 November 2016 | 409,854 |
| Charge for the period on owned assets | 171,123 |
| Disposals | (143,764) |
| At 4 November 2017 | <u>437,213</u> |
| Net book value | |
| At 4 November 2017 | <u><u>645,693</u></u> |
| At 5 November 2016 | <u><u>536,052</u></u> |

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

| | 4 November 2017 £ | 5 November 2016 £ |
|---------------------|-------------------------|-------------------------|
| Plant and machinery | <u><u>-</u></u> | <u><u>436,328</u></u> |

Notes to the Financial Statements

For the Period Ended 4 November 2017

6. Fixed asset investments

| | Unlisted investments £ |
|---|------------------------------|
| Cost or valuation | |
| At 6 November 2016 and at 4 November 2017 | 30,000 |
| Net book value | |
| At 4 November 2017 | 30,000 |
| At 5 November 2016 | 30,000 |

7. Stocks

| | 4 November 2017 £ | 5 November 2016 £ |
|-------------------------------------|-------------------------|-------------------------|
| Work in progress | - | 10,784 |
| Finished goods and goods for resale | 3,085,641 | 1,808,073 |
| | 3,085,641 | 1,818,857 |

8. Debtors

| | 4 November 2017 £ | 5 November 2016 £ |
|------------------------------------|-------------------------|-------------------------|
| Trade debtors | 534,678 | 427,740 |
| Amounts owed by group undertakings | 73,515 | - |
| Other debtors | 181,957 | 421,781 |
| Tax recoverable | - | 15,046 |
| | 790,150 | 864,567 |

Notes to the Financial Statements

For the Period Ended 4 November 2017

9. Cash and cash equivalents

| | 4 November 2017 | 5 November 2016 |
|--------------------------|--------------------|--------------------|
| | £ | £ |
| Cash at bank and in hand | 1,158,357 | 1,508,908 |

10. Creditors: Amounts falling due within one year

| | 4 November 2017 | 5 November 2016 |
|--|--------------------|--------------------|
| | £ | £ |
| Trade creditors | 1,406,878 | 1,342,457 |
| Amounts owed to group undertakings | 372 | 106,767 |
| Corporation tax | 70,350 | - |
| Obligations under finance leases and hire purchase contracts | - | 189,111 |
| Other creditors | 302,886 | 231,203 |
| Accruals and deferred income | 137,799 | 49,913 |
| | 1,918,285 | 1,919,451 |

Amounts owed to group undertakings are unsecured, interest bearing and repayable on demand.

Obligations under finance leases and hire purchase contracts are secured against the assets to which they relate.

11. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

| | 4 November 2017 | 5 November 2016 |
|-----------------|--------------------|--------------------|
| | £ | £ |
| Within one year | - | 191,980 |

12. Share capital

| | 4 November 2017 | 5 November 2016 |
|------------------------------------|--------------------|--------------------|
| | £ | £ |
| Shares classified as equity | | |
| Allotted, called up and fully paid | | |
| 1 Ordinary share of £1 | 1 | 1 |

Notes to the Financial Statements

For the Period Ended 4 November 2017

13. Commitments under operating leases

At 4 November 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

| | 4 November 2017 £ | 5 November 2016 £ |
|-----------------------|-------------------------|-------------------------|
| Not later than 1 year | <u>129,227</u> | <u>54,816</u> |

14. Controlling party

The Company's immediate parent is GCH Farms Holdings Limited a company registered in England and Wales, by virtue of its shareholding in the company. The registered office of the immediate parent is the same as that of the company.

There is no ultimate controlling party.

15. Auditor's information

The Auditor's report was unqualified, with no matters to draw attention to.

The name of the auditor and the individual who signed as senior statutory auditor are as follows:

Gareth Norris ACA (Senior statutory auditor)
For and on behalf of Grant Thornton UK LLP